

FBIS

DAILY REPORT

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FURTHER ON FOREIGN MINISTRY PRESS BRIEFING

HK171558 Hong Kong ZHONGGUO XINWEN SHE in Chinese 1444 GMT 17 Sep 86

[Text] Beijing, 17 Sep (ZHONGGUO XINWEN SHE) -- The Chinese Government has not extended any military aid to the Nicaraguan Government, said Foreign Ministry spokesman Ma Yuzhen this afternoon when answering a question raised by a reporter.

Ma Yuzhen made this statement at a routine Wednesday Foreign Ministry press briefing this afternoon. He also revealed that the agreement on loans to be granted by China to Nicaragua, the Sino-Nicaraguan trade accord, and the Sino-Nicaraguan accord on economic, scientific, and technological cooperation signed between China and Nicaragua during the Nicaraguan president's recent visit to China have opened bright prospects for the development of friendship and cooperation between the two countries.

Referring to Chairman Deng Xiaoping's proposal to meet with Gorbachev if the Soviet Union was to urge Vietnam to withdraw its troops from Cambodia, a reporter asked the spokesman whether China had received any official response from the Soviet Union. In answering this question, Ma Yuzhen said: No response has been received so far.

A reporter reminded the spokesman: "A Soviet diplomat said: Chairman Deng's message has not yet been conveyed to the Soviet Union through any official channel; therefore it will be improper for the Soviet Union to make any response. Such being the case, is China going to officially offer the proposal to the Soviet Union?"

Replying to this query, Ma Yuzhen said: The Soviet Union is clear about Chairman Deng's proposal.

A foreign reporter asked the spokesman whether the latest visit to China by Talyzin, first deputy chairman of the USSR Council of Ministers and chairman of the USSR State Planning Committee, had led to any political result. The spokesman answered: The two sides exchanged views on the further development of economic relations, trade, and technological cooperation between the two countries, and put forth some proposals and ideas which need further elaboration to be made by specialists of the Chinese and Soviet departments concerned.

WU XUEQIAN, DELEGATION AT UN 41ST SESSION

To Address General Assembly

OW170144 Beijing XINHUA in English 0137 GMT 17 Sep 86

[Text] United Nations, September 16 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian arrived here this afternoon to attend the 41st session of the United Nations General Assembly, which began today.

Wu is also head of the Chinese Government delegation to the 14th special session of the U.N. General Assembly on the question of Namibia.

The foreign minister is expected to address the special session Thursday and the 41st regular session on September 24 to spell out China's positions on the question of Namibia and important international issues. He will meet with his counterparts from various countries during his stay here.

Meets Chowdhury

OW172113 Beijing XINHUA in English 1934 GMT 17 Sep 86

[Text] United Nations, September 17 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian today met with Humayun Rashid Chowdhury, president of the 41st United Nations General Assembly and foreign minister of Bangladesh.

During the 30-minute courtesy call, Wu congratulated Chowdhury on his election to the presidency of the current U.N. General Assembly and reiterated his invitation to the Bangladesh foreign minister to visit China.

Chowdhury told Wu that he is looking forward to his China visit, adding that in international affairs there is hardly an area in which Bangladesh and China find their views different. The two foreign ministers exchanged views on issues facing the current General Assembly such as disarmament and peace, the U.N. financial problem and regional conflicts. Chowdhury said that he hopes that the parties concerned with various regional conflicts could find practical solutions through negotiations.

RENMIN RIBAO ON STATE OF U.S.-SOVIET RELATIONS

HK121431 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 12 Sep 86 p 6

["Roundup" by reporter Zhang Yunwen: "'Espionage Event' and the Present U.S.-Soviet Relations"]

[Text] Washington, 9 Sep -- On 7 September, the Soviet Union announced that an American reporter named Daniloff, who was suspected of being involved in espionage activities and jailed because of this, would be formally charged. The United States retorted that this was a trap laid by the Soviet Union aimed at taking the reporter as a hostage and forcing the United States to release Zakharov, a Soviet citizen employed at the United Nations who was arrested on 23 August on a charge of espionage. A few days ago, President Reagan wrote a letter to Soviet leader Gorbachev, assuring him that Daniloff was not a spy and demanding Daniloff's early release. The Soviet Union turned a deaf ear to Reagan's appeal and took strong actions. This has evoked strong repercussions in the United States. A White House spokesman pointed out that this event would have a "severe influence" on U.S.-Soviet relations. At a meeting held on 8 September, Reagan warned the Soviet Union that if the Soviet Union continued to shadow American reporters, it was impossible to "prevent this from becoming a great obstacle in the way of relations between the two countries." Some American officials also threatened to retaliate against the Soviet Union.

Such twists and turns in U.S.-Soviet relations have occurred at a sensitive period when the two countries are frequently conducting diplomatic consultations. This has truly given people much food for thought, and caused them to review the current relations between the two countries.

Over the past 2 months or so, the United States and the Soviet Union have held a series of talks and consultations exploring the possibility of reaching certain nuclear treaties, and so on, to make preparations for a meeting between the U.S. and Soviet foreign ministers on 19 and 20 September and pave a way for the second summit meeting between the two countries' leaders. [paragraph continues]

However, no significant progress has yet been made in the diplomatic consultations of the two countries, and various obstacles stand in the way of easing the tension in the relations between the two countries.

Gorbachev and Reagan have exchanged letters since last June and July. The two sides hold many different views with regard to the reduction of nuclear weapons, cessation of nuclear tests, observation of nuclear treaties, other regional problems concerned, and so on. There are great differences in their stands.

With regard to the problem of the reduction of nuclear weapons, the two sides have become a bit more flexible. For instance, the Soviet Union has agreed that the United States may conduct experiments in the "star wars" program in laboratories, and the United States is willing to postpone the deployment of the "star wars" program for 7 and 1/2 years. However, such outwardly flexible stands have not narrowed the fundamental differences between the two sides over the "star wars" program. As long as the obstacle of the "star wars" program is left intact, it will be difficult to make a step toward the reduction of nuclear weapons. Last June, the Soviet Union proposed a new plan for the reduction of nuclear weapons which was cautiously welcomed by the United States. However, a prerequisite to this plan is that the two sides must agree to observe the treaty on opposing ballistic missiles for at least 15 years. It was precisely because of this problem, which concerns the "star wars" program, that the two sides failed to reach a consensus.

With regard to the problem of nuclear tests, the two sides each harbor their own designs. What the United States is concerned about are the measures for examining the equivalent of nuclear tests. The Soviet Union stated that what it advocates is a nuclear test ban, rather than "examining the continuation of nuclear tests." Not long ago, the Soviet Union announced its third extension of a unilateral suspension of nuclear tests, and asked the United States to follow suit. Gorbachev said that an agreement on this issue could be signed at the summit meeting and that this is a "most urgent and important" key problem at present. The United States has repeatedly refused the plan on the grounds that it is difficult to verify and that the reliability of nuclear weapons should be ensured. Public opinion holds that another reason why the Soviet Union advocates the test ban and the United States opposes it is that, as everyone knows, that nuclear tests are connected with laser weapons in the "star wars" program.

The Soviet Union has always maintained that the key topic for discussion at the summit meeting is the control of nuclear weapons, and that the meeting can be held only when progress has been made in this regard. When talking about a summit meeting, Gorbachev said recently that there is no guarantee for the meeting, and that not even "an inch" of progress has yet been made with regard to this essential issue. Public opinion holds that this is the most pessimistic view aired by the Soviet leader recently on the issue of a summit meeting. Therefore, people are worried about the possibility that the crisis resulting from the "espionage event" will cast a shadow over relations between the two countries. If the situation is not placed under control, the second summit meeting might be postponed. However, some figures in the diplomatic field hold that although open statements of the two countries are turning harsh, they hope that their relations will not be severely influenced and that the event will not become an "insurmountable obstacle" in the way of a summit meeting. Yesterday a senior Soviet official hoped that such an "insignificant" event would not influence the relations between the two countries, and that both sides might find suitable methods for solving the problem. The two countries wish to hold the second summit meeting for their own economic or political reasons. It seems that they will not rashly give up the "window of chance" for easing the tension in the relations between the two countries. However, the present crisis has also shown that the existing state of affairs in U.S.-Soviet relations is not tranquil.

LIAOWANG ON INTERNATIONAL DISARMAMENT SITUATION

HK120701 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 36, 8 Sep 86 pp 26-27

[Article by Li Ginzhen and Li Ginggong: "The Choice Between 'Swords' and 'Plowshares' -- Commenting on and Analyzing the Current International Disarmament Situation"]

[Excerpts] In today's world, people are facing this choice: should they continue to build up military forces or beat the swords into a plowshares? Although some people still indulge in arms expansion and war preparations, as a general trend of mankind most people in the world are eager for peace and economic development. The forces demanding reductions in armaments and beating swords into plowshares have been growing and holding back the outbreak of war. The present international disarmament struggle precisely represents this general trend, and has become the main theme of the "International Year of peace."

The present disarmament struggle is mainly reflected in two aspects. First, both the United States and the Soviet Union are trying to contain the opposite side through disarmament negotiations on the basis of their own strength and to build up their own military strength to gain superiority. [passage omitted]

Second, most countries in the world, especially the Third World countries, demand that the superpowers stop their arms race and take the lead in substantially reducing armaments. The East European and West European countries, which are situated in the forefront of the East-West confrontation, feel deeply that the protracted and escalating arms race is directly threatening their security interests, so they demand that the United States and the Soviet Union conclude a disarmament agreement as quickly as possible and substantially reduce their nuclear weapons, ban chemical weapons, and reduce their troops stationed in central Europe. The Third World countries not only are deeply upset by the U.S.-Soviet arms race, but are also worried that the increasing military presence of the United States and the Soviet Union in various regions and the intensifying regional contention between the two superpowers will more seriously threaten their national security and economic development. Therefore, they strongly demand that while reducing their armaments, the United States and the Soviet Union also stop their regional contention and ease regional tensions. Their demand for disarmament is sincere and urgent, and their ardent pursuit of peace and development has formed a strong force which holds back the outbreak of war and maintains peace.

In general, the present disarmament struggle is being carried out through bilateral or multilateral talks with the following main characteristics:

The disarmament proposals are more concrete. This point is obviously reflected in the U.S.-Soviet disarmament talks. The two countries are the main participants in the bilateral talks, and they respectively represent the interests of the two major military blocs in the East and West. The strategic purpose of the United States is to check the momentum of the Soviet Union's nuclear arms expansion and to force the Soviets to substantially reduce its strategic nuclear warheads and dismantle its SS-20 missiles deployed in Europe and Asia. Meanwhile, the Reagan administration is trying to create a "peaceloving image" by giving wide publicity to these proposals domestically to consolidate the Republican Party's position in the 1986 midterm elections and the 1988 presidential election. [paragraph continues]

The strategic purpose of the Soviet Union is to get rid of Reagan's "strategic defensive initiative" and to lighten the heavy economic burden caused by the arms race with the United States and to create better conditions for developing its economy. This may enable the Soviets to carry out rivalry with the Americans on a longer-term basis. [passage omitted]

The disarmament struggle has become more internationalized. At present, the European Disarmament Conference, attended by more than 30 countries, and the multilateral disarmament talks in Geneva have attracted attention from more and more people. The nonaligned and neutral countries participating in these talks and China are becoming more and more influential in international affairs, so the multilateral disarmament talks have also achieved a higher status in the world. Although the United States and the Soviet Union impose their bilateral disputes on the multilateral disarmament talks and thus cast an ominous shadow on these talks, most participants still make full use of this arena to expose the deceptive behavior and false disarmament of the two superpowers, to publicize their own opinions, and to exert pressure on the superpowers. As a participant in the Geneva disarmament talks, China clearly declares that she agrees with all-round prohibition and thorough dismantling of nuclear weapons, opposes the arms race in any form, with any content, and in any area, and calls for reducing conventional armaments and chemical weapons. China's principled position has been widely praised and welcomed.

At the present disarmament talks, people's attention is focused on strategic nuclear weapons, intermediate-range nuclear weapons, space weapons, and conventional weapons. People of good will have good desire and always hope that these issues will be solved at an earlier date but reality only makes them worry. [passage omitted]

To sum up, the bilateral disarmament talks between the United States and the Soviet Union and between the two major military blocs and the multilateral disarmament conference involving many countries are pushed by the forces seeking peace and opposing war and are advancing. All disarmament proposals and actions complying with the general trend of history will be welcomed. However, we must also notice that factors which obstruct the development of disarmament still exist, and the disarmament struggle will be more complicated, arduous, and prolonged. This not only requires the forces for peace in the world make unremitting efforts, but also requires the superpowers to take concrete action to advance disarmament.

LI PENG MEETS LONDON-BASED INSTITUTE DIRECTOR

OW171335 Beijing XINHUA in English 1308 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- Chinese Vice-Premier Li Peng discussed here today some international issues with Robert O'Neill, director of the London-based International Institute for Strategic Studies.

O'Neill has come to visit China at the invitation of the Chinese Institute of International Studies.

RENMIN RIBAO ON EASING U.S. TRADE DEFICIT

HK130924 Beijing RENMIN RIBAO in Chinese 11 Sep 86 p 6

["Random Notes" by Sai Bei: "It Is Not Too Late"]

[Text] According to an article published in THE WASHINGTON POST in late August, the U.S. trade deficit will be \$100 billion in 1990. Some economists have also suggested that even if the exchange rate of the U.S. dollar continues to fall, U.S. foreign trade still cannot improve. Because of high production costs, U.S. products lack competitive power. In addition, because of declining demand in its overseas markets, and, in particular, in the Third World, which is a major market for U.S. products, U.S. products do not sell well no matter how reasonable their prices may be. An article recently published in THE NEW YORK TIMES also suggests it would be difficult to reduce the U.S. trade deficit. According to this article, one of the reasons why the United States has a trade deficit is that Japan and Western Europe do not invest their surplus capital in the Third World. This article hopes that Japanese and West European investment in the Third World can stimulate its demand for U.S. commodities. These articles and economists have also touched on a major problem concerning the contemporary world economy -- that is, the problem of South-North relations.

At first, the United States thought that with the appreciation of the Japanese yen and various Western European currencies and the devaluation of the U.S. dollar, U.S. commodities would have greater competitive power on the international market and its foreign trade would improve. However, nothing of the kind happened. The United States then thought that although the Third World countries need U.S. commodities, they do not have money to buy them, and that if Japan and Western Europe do not invest their capital in commodity production to contend with the U.S. for market but instead invest in the Third World to raise its consuming power, there would be an outlet for U.S. commodities.

But how can the United States ensure that the Third World will buy U.S. commodities rather than those produced by the countries investing money in it? It cannot solve this problem by resorting to import and export quotas and export subsidies. Japan and Western Europe can do the same thing to the United States. This can only lead to a fierce trade war.

People pointed out long ago that the world's economies have merged into a single system and that the old economic order, which allows a few countries to attain prosperity by exploiting the Third World, is becoming increasingly unacceptable. As the prices of oil and primary products continue to fall and as a result of the development of trade portectionism, the Third World countries' foreign debts have become a very heavy burden and their economic development is being hindered. As a result of the worsening trade conditions, the growth rate of world trade has gone down. According to a statistical survey conducted by Britain's THE ECONOMIST at the beginning of this year, the growth rate of the volume of world trade in 1985 was less than 3 percent -- that is, only one-third of that in 1984. Thus, only by helping the Third World countries eradicate poverty on the basis of equality and mutual benefit can the developed countries find a way out of their economies. Otherwise, the world market will shrink and the developed countries will suffer seriously from a life-and-death struggle among themselves. To improve world economic conditions and to help everybody survive, the Third World and many developed countries have been calling for South-North talks for many years. However, the United States has always been unenthusiastic about these talks and not even the initial step has been taken toward opening them.

Now, some U.S. economists have become aware of this problem. This is good. Provided that the U.S. Government listens to them, it is still not too late to remedy the situation. If the U.S. Government immediately makes efforts to organize the talks, it will contribute much to solving its trade deficit problem.

REAGAN 'RELUCTANT' TO MEET FRONTLINE STATES LEADERS

OW171350 Beijing XINHUA in English 1311 GMT 17 Sep 86

["News Analysis: Reagan Reluctant To Answer Kaunda's Call (by Guan Yunqiu)" -- XINHUA headline]

[Text] Beijing, September 17 (XINHUA) -- Zambian President Kenneth David Kaunda recently invited U.S. President Ronald Reagan to hold talks on the southern Africa issue with the frontline nations either in Africa, or in Washington. Until now, the Reagan government has remained reticent.

President Kaunda sent a letter on behalf of Tanzania, Mozambique, Zambia, Botswana, Angola and Zimbabwe on September 10, saying that the leaders of the six frontline nations would go to Washington if Reagan was unable to go to Africa in order to bring an early end to apartheid and find solutions to other emergent issues in southern Africa. America's support in pressuring the racist South African regime is indispensable, President Kaunda said during the latest Non-aligned Movement (NAM) summit.

The problem of southern African has captured worldwide attention, and has resulted in U.N. resolutions on the independence of Namibia and the ending of apartheid. The "Special Declaration on Southern Africa" which was issued during the Eight NAM Summit in Harare, strongly condemned the South African regime for suppressing the anti-apartheid struggle, and for the continued occupation of Namibia.

But in the Reagan government's reluctance, only an elusive remark was put forward that America always "cares" about finding a solution to the southern Africa problem.

The Reagan government has issued only a "constructive engagement" statement on southern Africa, which, in Reagan's explanation, is aimed at the gradual alternation of the apartheid system in South Africa. Accordingly, U.S. Assistant Secretary of State for African Affairs Chester A. Crocker has shuttled back and forth between southern African nations in recent years, but he has achieved nothing to alter the continuing apartheid policy of the South African regime.

The policy for so-called "constructive engagement" has been discredited not only in the eyes of southern African leaders, but in the opinions of U.S. congressmen as well. To keep the African peoples' struggle under control, the U.S. Government merely appears to hope that the racist regime will alter its apartheid policy. But because of its own interests in southern Africa, the Reagan government continues its support of the white-minority government.

How will the reluctant Reagan government respond to President Kaunda's invitation? The question remains unanswered.

GU MU MEETS U.S. GOVERNMENT TOURIST DELEGATION

OW161314 Beijing XINHUA in English 1255 GMT 16 Sep 86

[Text] Beijing, September 16 (XINHUA) -- Chinese State Councillor Gu Mu met a government tourist delegation from the United States led by Under-Secretary of Commerce Donna F. Tuttle here today.

Chinese officials from Tourist and Civil Aviation Departments and U.S. Ambassador to China Winston Lord were present.

ZHOU GUCHENG MEETS AMERICAN EXCHANGE DELEGATES

OW121240 Beijing XINHUA in English 1140 GMT 12 Sep 86

[Text] Beijing, September 12 (XINHUA) -- Zhou Gucheng, vice-chairman of the Chinese National People's Congress Standing Committee, met here today foreign and Chinese delegates to a seminar on China program of international and intercultural exchange.

Sponsored by the Chinese Education Association for International Exchanges, the seminar of the China program of the AFS (American Field Service) international and intercultural programs was held here between September 10 and 12, with the main reference to China program for training middle school teachers.

Among the more than 50 participants in the seminar were foreign delegates headed by President William M. Dyal and Chairman of the Board of Directors Ezio Vergani of the AFS international and intercultural programs as well as Chinese delegates from 16 provinces, municipalities and autonomous regions.

NEW PETROLEUM CONTRACT SIGNED WITH U.S. COMPANIES

OW161212 Beijing XINHUA in English 1148 GMT 16 Sep 86

[Text] Beijing, September 16 (XINHUA) -- China National Offshore Oil Corporation and the U.S.-based AMOCO Orient Petroleum Company contracted today to explore and develop petroleum resources in the South China Sea.

AMOCO Orient Petroleum Company was a participant in both the first and second rounds of bidding with the Chinese Corporation for Offshore Oil Research and Drilling in cooperation with Foreign Countries.

This is the third cooperative effort between the two firms. Groundwork for two earlier contract areas in the mouth of the Pearl River basin has been completed, with drilling to begin in 1987.

The new contract area is about 300 kilometers east of Hong Kong in the South China Sea, and covers 6,036 square kilometers with water depth ranging from 60 to 100 meters. Seismic surveys in the area will start this year.

I. 18 Sep 86

PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

D 1

NAKASONE ADMITS JAPAN AGGRESSION AGAINST CHINA

OW171141 Beijing XINHUA in English 1045 GMT 17 Sep 86

[Text] Tokyo, September 17 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone said the Japanese militarists' aggression against China can not be denied and stressed the need for Japan to promote friendly relations with the neighboring countries.

In a speech at the Diet (parliament) yesterday, Nakasone said that it was not proper for former Education Minister Masayuki Fujio to whitewash Japanese militarists. He stressed that taking into consideration the overall national interests of Japan, the Japanese should conduct self-examination concerning their past and enhance their friendly relations with neighboring countries.

The Japanese Prime Minister fired Fujio on September 8 for his unbridled statements to deny Japanese aggression against Asian nations during World War II. Fujio was the first cabinet minister dismissed by the prime minister in 33 years.

On Japanese-Soviet relations, Nakasone said that Japan adheres to the principle of holding tenacious negotiations to settle the territorial issue and sign a peace treaty. For the Japanese public, the prime minister said, the most concerned issue is the territorial question. He pointed out that Japan's participation in the research of America's "star wars" program is in the interests of Japanese enterprises and an effort to coordinate Japan's relations with the United States.

WANG BINGQIAN RECEIVES JAPANESE FINANCIER

OW141357 Beijing Domestic Service in Mandarin 0300 GMT 12 Sep 86

[Text] Wang Bingqian, state councillor and finance minister, met with a delegation from Japan's International Finance Information Center, led by its president (Kiichi Watanabe), at the Great Hall of the People this morning.

HU YAOBANG MEETS VISITORS FROM HOKKAIDO

OW131120 Beijing XINHUA in English 1112 GMT 13 Sep 86

[Text] Beijing, September 13 (XINHUA) -- General Secretary Hu Yaobang of the Chinese Communist Party Central Committee, met here today a group of Japanese visitors from Hokkaido. The group is led by Governor Takahiro Yokomichi and Speaker of the Prefecture Assembly Seichi Yoshida.

Hu talked with the visitors on cooperation between Hokkaido and Heilongjiang Province in northeast China and between the two countries in general. Hokkaido and Heilongjiang established friendship ties last June.

Yokomichi expressed the hope that the visit of his group will promote cooperation between his prefecture and Heilongjiang Province in the economic, scientific and technical fields as well as in trade and forestry. Yokomichi played host to Hu when the general secretary visited Hokkaido in 1983.

FANG YI MEETS WITH JAPANESE MINING DELEGATION

OW172033 Beijing XINHUA in English 1527 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- State Councillor Fang Yi met here today a delegation from Japan's Metal Mining Association led by Director-General Masayuki Nishiie.

The Japanese delegation is in China to attend a ceremony marking the completion of a precision prospecting project at Anqing Copper Mine in Anhui Province. The project is the first governmental cooperation project between the China National Nonferrous Metals Industry Corporation and the Japanese association.

The Chinese corporation hosted a dinner for the Japanese delegation here this evening.

GU MU MEETS ECONOMIC DELEGATION FROM TOKYO

OW172032 Beijing XINHUA in English 1520 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- State Councillor Gu Mu met here today an economic delegation from Tokyo led by Chikara Sadayuke, vice-president of the Japan-China Friendship Association of Tokyo.

ZHAO ZIYANG MEETS DPRK FOREIGN TRADE DELEGATION

OW121644 Beijing XINHUA in English 1451 GMT 12 Sep 86

[Text] Beijing, September 12 (XINHUA) -- Chinese Premier Zhao Ziyang met a government trade delegation from the Democratic People's Republic of Korea led by Minister of Foreign Trade Choe Chong-kun here today.

During the visit of the delegation, a 1987-1991 agreement concerning the mutual supply of major commodities between China and Korea was signed. Choe said Korea will work hard to implement the agreement.

Zhao said the signing and subsequent implementation of the agreement has a major bearing on the two countries' socialist construction and friendship, adding China too will work hard for the full implementation of the agreement.

Referring to an earlier proposal made by the DPRK Premier Kang Song-san about expanding border trade, Zhao said, "I fully agree with and support this proposal." Chinese Minister of Foreign Economic Relations and Trade Zheng Tuobin was present.

XI ZHONGXUN FETES VACATIONING DPRK PARTY GROUP

OW121234 Beijing XINHUA in English 1155 GMT 12 Sep 86

[Text] Beijing, September 12 (XINHUA) -- Xi Zhongxun, member of the Political Bureau of the Chinese Communist Party Central Committee, met here today and gave a dinner in honor of a vacationing group from the Korean Workers' Party, led by Chu Kyu-ch'ang, alternate member of its Central Committee.

WAN LI FETED AT NEW ZEALAND HEALTH RESORT

OW172106 Beijing XINHUA in English 1844 GMT 17 Sep 86

[Text] Rotorua, New Zealand, september 17 (XINHUA) -- Visiting Chinese Vice-Premier Wan Li had a nose dance with Maori dancers giving performance here tonight at a dinner in his honor.

Wan and his party arrived in this health resort this morning from Wellington. Rotorua, situated at the north central of North Island, is famous for its geysers and the Lake Rotorua surrounded by hot springs.

The dinner tonight was given by Internal Affairs Minister of New Zealand Peter Tapsell. Both Wan and Tapsell expressed the confidence that the friendly relations and cooperations between China and New Zealand would be further developed under common efforts.

PRC, AUSTRALIAN COMPANIES AGREE ON CONSULTATIONS

OW172038 Beijing XINHUA in English 1539 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- The first cooperative agreement between a Chinese consultancy and a foreign consultancy was signed into being today. According to the agreement reached by the China International Engineering Consulting Corporation and the Turner Group of Sydney, the cooperation paves the way for the two companies to jointly offer consulting service in Asia.

The two companies will register themselves with the Asian Development Bank and other related organizations to jointly provide consultation on construction projects.

The China International Engineering Consulting Corporation, the largest of its kind in the country, has registered with the World Bank and made business contacts with 60 companies, societies and banks in Britain, Federal Germany, Japan, the United States as well as Hong Kong.

XINHUA COMMENTS ON AQUINO'S FIRST U.S. VISIT

OW150915 Beijing XINHUA in English 0831 GMT 15 Sep 86

["News Analysis: President Aquino's First Official U.S. Visit" -- XINHUA headline]

[Text] Manila, September 15 (XINHUA) -- Philippine President Corazon Aquino leaves here this afternoon for the United States on a 9-day official working visit which is expected to seek support for her economic recovery program and at the same time to demonstrate her government's position independent of foreign interference.

In her first official visit to the U.S. since she assumed office last February, President Aquino will unveil before President Ronald Reagan and the U.S. public the Philippine policy to adopt an "independent and self-reliant path" towards economic and political development, as the Philippine-U.S. relations appear to have been characterized by ambiguities and subtleness.

By inference, in addition to American economic aid, the so-called "insurgency problem" and the fate of the U.S. military bases here will top the agenda in Mrs. Aquino's talks with Reagan.

Up to now, the Reagan administration continues to reaffirm its support to the 7-month-old Aquino government. But recently, some Reagan aides have criticized the Aquino cabinet for its policy of holding peace talks with the National Democratic Front and tried to press it to be tougher in dealing with the "insurgents".

President Aquino has time and again stated she would push a policy of reconciliation towards the "insurgents" and would "exhaust all peaceful means" before "meeting force by force. [quotation marks as received]

Asked to comment on the U.S. criticism of this policy at her pre-departure press conference, Aquino said in explicit terms, "This is a Filipino problem and we Filipinos would better know how to solve it." She even declared she would resist American pressure on this issue.

Moreover, the U.S. Administration seems unhappy about Aquino government's non-committal stance toward the status of the U.S. military bases here after the expiry of the related agreement in 1991. Washington apparently likes to preserve its bases to "keep the balance of power" in the region. But at the above-mentioned press conference, President Aquino reiterated, "I will respect, and I am respecting, the military base agreement until 1991, and then I will keep my options open."

A briefing paper just prepared by the presidential palace on Philippines-U.S. relations said the Philippines is adopting the new "independent and self-reliant" policy because of the "increasing awareness" of the divergence of interests of the Philippines and the United States. "The U.S. is escalating its program to influence perception and attitudes of Filipinos, particularly its leaders, in viewing the Philippine situation within the international framework of political and economic theories and ideas. However, historical forces in the Philippines would be difficult to suppress as increasing awareness of the basic interests of the Filipino nation and the demand for an independent and self-reliant path to development gains popular support. As the clamor for policies and programs that primarily advance Filipino interests and welfare grows louder and the nation unequivocally and determinedly voices these interests as one, the Philippines will develop the resources and strength to take a truly independent path while maintaining warm and beneficial relations with other nations," the briefing paper said.

Official cabinet sources said President Aquino would not beg for more economic assistance from U.S. top officials but she would discuss it, if her American counterpart would raise. [sentence as received]

They said the president would make it clear in her scheduled September 19 address before the joint meeting of the U.S. Congress that the Philippines would try it best to "stand on its two feet" and that the government would accept only assistance without strings attached.

Her trip would be capped by her one-on-one meeting with Reagan on September 17. There is no specific agenda for their meeting, although she is expected to raise the "irritants" confronting the two nations.

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In the quest for international support to the sluggish Philippine economy, President Aquino is also expected to raise economic issues like increase of U.S. investments in the country, the immediate recovery of the hidden wealth which deposed President Ferdinand Marcos stashed abroad, particularly in the U.S., and liberal terms for the restructuring of the country's 26 billion U.S. dollars in external debt and entry of Philippine exports to the American market.

Only three days before Aquino's departure, her Minister of Local Government Aquilino Pimentel said the president is not going to the U.S. "as a beggar". Her trip will "decide on the proper way by which we can be supported without sacrificing our dignity as a people."

News analysts here hold that President Aquino's first official visit will yield positive results for mutual benefit. The Reagan administration will pledge continued support for the new Philippine Government to protect its strategic interests here. In turn, the Aquino government will take steps, and possibly make some necessary concessions, to improve its relations with the U.S., its number one trading partner and creditor.

However, if the Reagan administration should stick to a policy of interference, then it will probably meet with a rebuff and even eat a bitter fruit. And the ambiguities and subtleness will remain.

ROUNDUP ON CGDK DELEGATION'S VISIT TO PRC

OW141355 Beijing in Russian to the USSR 1800 GMT 13 Sep 86

[Roundup: "Complete Success"]

[Text] A Democratic Kampuchean delegation led by Democratic Kampuchean President Samdech Norodom Sihanouk, and with Son Sann, CGDK prime minister, and Khieu Samphan, CGDK vice president in charge of foreign affairs, as deputy delegation leaders, visited China on a traditional visit of friendship at the invitation of the Chinese Government from 6 to 10 September. The delegation came on a visit to China at a time when Democratic Kampuchea had won a gratifying victory in the political, military, and diplomatic fields. The visit ended with complete success.

During the 5-day visit to China, Chinese leaders Zhao Ziyang, Li Xiannian, Hu Yaobang, and Deng Xiaoping on separate occasions had warm talks with Samdech Norodom Sihanouk. Sihanouk informed them about the situation in the struggle in Cambodia. This year, said Norodom Sihanouk, the military situation on the battlefield, where the patriotic armed forces of the three sides of Democratic Kampuchea are coordinating their actions, increases our confidence in the future of our nation.

The Chinese leaders, in their turn, again confirmed China's unwavering position in supporting the patriotic forces of the three sides of Democratic Kampuchea in their just struggle.

The leaders of both sides stressed the importance of the 8-point Democratic Kampuchean proposal for a political settlement of the Cambodian problems. The 8-point proposal was submitted by the CGDK in March this year. Vietnam is asked to withdraw all its troops from Cambodia in two stages. At the end of the first stage, Heng Samrin will be able to participate in talks with the three sides of the CGDK of Democratic Kampuchea to form a coalition government of the four sides, led by Samdech Norodom Sihanouk.

Up to now the 8-point proposal has received the support of more than 50 states in the world. PRC state Council Premier Zhao Ziyang once again highly praised the proposal and said that it is an important option offered by the CGDK on the basis of summing up the historic experience of the struggle of the people and that this proposal conforms with the real situation in the country and is for this reason very correct. The Vietnamese authorities' stubborn rejection of this proposal only shows their continued lack of sincerity in reaching a political settlement of the Cambodian problem.

Samdech Norodom Sihanouk said: We have made major concessions and will make no more amendments to the 8-point proposal, whether or not Vietnam accepts it. If Vietnam does not accept our proposal, we shall continue our struggle to a victorious conclusion.

Hu Yaobang told the guests from Democratic Kampuchea: The Chinese Government and people have no other option than to unconditionally support the struggle of the Cambodian people to the end.

Deng Xiaoping also stated: The Chinese people will resolutely, unconditionally, and for a long time support the Cambodian people in their struggle against Vietnamese aggression for the sake of national salvation.

The visit ended with complete success. Both sides expressed their satisfaction at the results of the visit. Samdech Norodom Sihanouk said that the visit will be a very great inspiration for the patriotic fighters and people of Cambodia in their just struggle against Vietnamese aggression. It will have a great influence in the international arena and will contribute toward greater support of the CGDK by the international community and the UN General Assembly.

TRADE PROMOTION DELEGATION FETED IN SINGAPORE

OW161154 Beijing XINHUA in English 0655 GMT 16 Sep 86

[Text] Singapore, September 15 (XINHUA) -- China now is Singapore's 4th largest trading partner and Singapore is the 6th largest investor in China, a local banker disclosed here today. Wee Cho-yaw, chairman and chief executive officer of Singapore United Overseas Bank Limited, said at a banquet here today that the economic relations between Singapore and China have developed rapidly. He expressed his hope that the economic ties between the two countries would be further developed.

The banquet was given in honor of the visiting delegation of the China Council for the Promotion of International Trade which arrived here today to attend the 80th anniversary of the foundation of the Singapore Chinese Chamber of Commerce and Industry.

Jia Shi, head of the Chinese delegation and Council chairman, in reply, said China is considering to improve further its investment conditions in order to encourage more foreign investors. "There is a lot of room for Singapore and China to further boost their trade and economic relations," Jia Shi added.

The Singapore Chinese Chamber of Commerce and Industry, playing an important role in the economic development of the country, is one of the main business organizations in Singapore. During its 7-day stay here, the Chinese delegation will visit some local economic bodies and have talks with local businessmen.

PRC, Finland Sign S&T Development Protocols

OW171330 Beijing XINHUA in English 1108 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- The Chinese and Finnish Governments signed here today two agreements respectively on scientific and technological cooperation and on development credit. According to the scientific and technological cooperation agreement, the two countries will cooperate in 13 fields including metallurgy, agriculture, meteorology, forestry, timber processing and environmental protection.

The two countries will also exchange science delegations and scientific personnel for study or advanced learning or do researches on projects of common interest and co-sponsor seminars or symposiums. The credit agreement specifies that the Finnish Government will provide China with a development credit of 50 million Finnish marks to be used in paper manufacture and dairy production.

The two agreements were signed by Song Jian, Chinese state councillor and minister in charge of the State Science and Technology Commission, and Wang Wendong, assistant minister of foreign economic relations and trade and Finnish Ambassador to China Risto Hyvarinen on behalf of their respective governments. Chinese Premier Zhao Ziyang and Finnish Prime Minister Kalevi Sorsa attended the signing ceremony.

FINNISH PRIME MINISTER CONTINUES VISIT

Travels to Xian

OW171120 Beijing XINHUA in English 1032 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- Finnish Prime Minister Kalevi Sorsa and his wife left here this morning by special plane to visit a number of other Chinese cities, including Xian, Guangzhou and Shenzhen, in the company of Chinese Minister of Justice Zou Yu. Chinese Premier Zhao Ziyang bid Sorsa farewell at Diaoyutai State Guesthouse before his departure.

Arrives in Guangzhou

OW172045 Beijing XINHUA in English 1606 GMT 17 Sep 86

[Text] Guangzhou, September 17 (XINHUA) -- Visiting Finnish Prime Minister Kalevi Sorsa and Mrs. Sorsa arrived here this evening after visiting Xian.

In Xian earlier today, Sorsa and his party were honored at a luncheon given by Governor Li Qingwei of Shaanxi Province.

Sorsa also visited the Xi'an Electric Manufacturing Corporation, where he attended the inauguration of a plastic telephone cable production line imported from Finland and Sweden.

The Finnish visitors also went to see the museum displaying terracotta horses and armored warriors excavated from sites near the tomb of Qin Shi Huang, China's first emperor.

ZHOU GUCHENG FETES SWEDISH PARLIAMENTARIANS

OW172048 Beijing XINHUA in English 1622 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- Zhou Gucheng, vice-chairman of the Standing Committee of the Chinese National People's Congress, and chairman of the Education, Science, Culture and Public Health Committee of the National People's Congress, gave a banquet here this evening for a Swedish parliament education committee delegation led by the Committee Chairman George Anderson.

The banquet was held by the Education, Science, Culture and Public Health Committee of the National People's Congress. Zhou Gucheng expressed the hope for more contacts between the two parliaments and the committees concerned.

George Anderson said that the Sweden Parliament is willing to have more cooperation with the Chinese side. Before the banquet, Zhou Gucheng met the Swedish friends.

Zhang Chengxian, vice-chairman of the NPC Education, Science, Culture and Public Health Committee, held talks with the delegation this afternoon. The two sides exchanged experiences in the educational work. The Swedish guests arrived in Beijing for a friendly visit yesterday.

SWEDISH FILM RUNNING SAID TO SHOW NEW OPENNESS

OW171229 Beijing XINHUA in English 1220 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- A retrospective of 30 Swedish films from 1913 to 1984 opened here today. The retrospective comes at a crucial time, according to some Chinese filmmakers and other cultural workers attending the series.

"China has been opening to the outside world, and its cultural atmosphere is becoming more open," said Chen Huaikai, a senior film director. "In this context, the retrospective has a unique function. Seeing these films will help us rethink our past and try to find our way for the future."

More than 1,000 people attended today's opening ceremony and viewed the 1961 film "Do You Believe in Angels?"

The retrospective includes Maurice Stiller's "The Saga of Gosta Berling" (1924), with Greta Garbo, and Ingmar Bergman's "Persona" (1966), with Liv Ullmann. The series will also be shown in Changchun, Shanghai and Xian.

He Zhengang, a researcher with the China Film Archive, said the films differed from those of the United States in crucial ways.

"U.S. films tend to stress entertainment and narrative, while Swedish films are more philosophical," he said. "Swedish films have a strong national character, and that is one reason Chinese filmmakers and critics should study them closely."

Since China opened to the outside world in 1979, it has imported increasing numbers of films from abroad. One Chinese film industry official estimated that 40 foreign films a year are shown commercially in the country, in addition to retrospectives and special film exhibitions.

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ZHANG JINGFU TALKS WITH EEC FEED INDUSTRY GROUP

OW172020 Beijing XINHUA in English 1436 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- State Councillor Zhang Jingfu today expressed concern over the excessive restriction on China's feed exports to member countries of the European Economic Community (EEC).

At a meeting with a group of visitors from the London-based Grain and Feed Trade Association Limited here this afternoon, Zhang called for the concerted efforts of China, Britain and other European countries for the expansion of their food grain and feed trade.

Arthur Wright, leader of the visiting group and president of the association, said that his association disagreed with discriminative measures taken by the EEC against Chinese feed exports. The visitors arrived here last Friday as guests of the China Council for the Promotion of International Trade.

RUI XINGWEN TALKS WITH ITALIAN COMMUNIST LEADER

OW151122 Beijing XINHUA in English 0846 GMT 15 Sep 86

[Text] Milan, September 14 (XINHUA) -- Italian Communist Party General Secretary Alessandro Natta today called for a "reliable agreement" and joint actions by all countries against terrorism. He said at the closing ceremony of the festival of L'UNITA, the party organ, that the soil for terrorism exists so long as the Palestinian problem remains unsolved.

The general secretary called for global joint efforts for disarmament, detente and guaranteed peace and said that Italy and Europe "can do more for the holding of a summit between the two superpowers." On domestic situation, he said his party will adopt a firmer attitude against the government.

About 800,000 members and supporters of the communist party attended the closing ceremony of the festival.

Rui Xingwen, member of the Chinese Communist Party Central Committee and secretary of the party's Shanghai committee, attended the meeting and had a talk with a leader of the Italian Communist Party, Giorgio Napolitano.

ZHU XUEFAN MEETS, FETES VISITORS FROM FRG 17 SEP

OW172028 Beijing XINHUA in English 1508 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- Zhu Xuefan, vice chairman of the Standing Committee of the National People's Congress, and vice-president of the Association for International Understanding of China, met a delegation from Federal Republic of Germany led by Heinz Kuehn, chairman of the F. Ebert Foundation. After the meeting, Zhu Xuefan gave a dinner for the visitors.

The foundation, established in 1925, is an influential public welfare organization. The Chinese Association for International Understanding and the F. Ebert Foundation opened a seminar of vocational training here yesterday.

PRC 'IRRITATED' BY JARUZELSKI VISIT TIMING

HK180838 Hong Kong AFP in English 0825 GMT 18 Sep 86

[By Bernard Degioanni]

[Text] Beijing, Sept 18 (AFP) — A visit to China later this month by Polish leader Wojciech Jaruzelski has disturbed Beijing's plans for restoring party-to-party relations with Eastern European communist parties, Western diplomats here believe.

Beijing had been counting on a visit in October by East German leader Erich Honecker to officially launch a restoration of relations with Eastern European parties, which have been vetoed by the Soviet Union since an ideological split between the two communist giants in the late 1960's, diplomats said Thursday. "For Beijing, Gen. Jaruzelski is the least presentable of Eastern European communist party leaders with whom to mark an official resumption of party-to-party relations," one diplomat said.

"China had done all it could — and thought it had succeeded — to ensure that the first East European leader to visit China would be" Mr Honecker, another said. "The fact that it has had to accept Gen. Jaruzelski coming first has greatly irritated them."

It was announced Wednesday that the Polish leader would be here September 28-30 for what has been described as a working visit at the invitation of the Chinese Government.

Mr Honecker's visit in late October had been announced in August, and an Eastern European source in Beijing said news of Gen. Jaruzelski's visit had greatly irritated East German authorities. "At the East German Embassy nobody wanted to believe it until the last minute," added a Western diplomat.

Western diplomats said they suspected Moscow's hand in the earlier arrival by Gen. Jaruzelski, with the aim of throwing a spanner in the works. "Gen. Jaruzelski has jumped the queue at a moment when China was least expecting it," a diplomat said. "It was Warsaw that made the request, and given that the Polish leader's visit to China is part of a tour that is to include Mongolia and North Korea, Beijing could not refuse," another diplomat said.

"China also knows that a refusal on its part would have eventually led to a cancellation of Mr Honecker's visit and an indefinite postponement of the resumption of party-to-party relations with Soviet allies. Moscow can therefore easily keep the pressure on," another diplomat said.

With the exception of Romania, China has had no relations with Eastern European communist parties since Beijing, split ideologically with the Soviet Union in the 1960's. In the past year China has repeatedly said it is ready to re-establish ties with all Eastern European communist parties, excluding that of the Soviet Union.

"By imposing Gen. Jaruzelski, Moscow is profiting from the fact that China wants 'at any price' to set up such relations with the communist parties of Eastern Europe to boost" the Polish leader's international profile at the expense of China, a diplomat said. "The Chinese have been caught at their own game by Moscow, which is clearly signalling that when it comes to thawing Sino-Soviet relations, it expects to be the one who calls the shots," he said.

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There was no risk for Moscow in the manoeuvre, another diplomat said, because at the present stage of Sino-Soviet relations both sides were well aware that if one of them moved to make a break he "would have to assume responsibility for the failure of the thaw in relations."

A Polish delegation headed by Health and Social Welfare Minister Miroslaw Cybulko is now in Beijing to finalize the details of Gen. Jaruzelski's trip.

Like Mr Honecker, the Polish leader is to meet Chinese Communist Party leader Hu Yaobang and Chinese President Li Xiannian. The meeting between Gen. Jaruzelski and Mr Hu will constitute the resumption of party-to-party relations, observers say.

ZHAO ZIYANG MEETS HUNGARIAN FINANCE MINISTER

Satisfaction Expressed

OW140926 Beijing XINHUA in English 0839 GMT 14 Sep 86

[Text] Beijing, September 14 (XINHUA) -- Chinese Premier Zhao Ziyang today expressed his satisfaction with the development of Sino-Hungarian economic and trade relations.

At a meeting with Hungarian Minister of Finance Istvan Hetenyi and his party here this morning, Zhao said, there exists traditional friendship between the two peoples and the Chinese leaders appreciate the wise and far-sighted policy adopted by Hungarian Socialist Workers' Party and government towards China.

He said, China, as Hungary, attaches great importance to the development of trade relations between the two countries. China and Hungary have signed a five-year trade agreement, an agreement on economic and technical cooperation and set up a joint committee on economic, trade, scientific and technological cooperation. The volume of trade between the two countries has increased greatly, Zhao said.

He held that the Sino-Hungarian economic and technical cooperation has great potentials, that the two sides should seek new avenues and ways of cooperation and solve problems in a frank and comradely way.

Hetenyi said, Hungarian Socialist Workers' Party and government have always trusted the Chinese Communist Party and people. And the Hungarian government attaches great importance to the second meeting of China-Hungary Committee on Economic, Trade, Scientific and Technical Cooperation scheduled for tomorrow. He said that Hungary hoped to cooperate with China including cooperation on provincial and municipal level.

Hetenyi Meets Wang Bingqian

OW151114 Beijing XINHUA in English 1054 GMT 15 Sep 86

[Text] Beijing, September 15 (XINHUA) -- Wang Bingqian, Chinese state councillor and minister of finance, met with Hungarian Minister of Finance Istvan Hetenyi and his party here today.

STATE COUNCIL APPOINTS NEW VICE MINISTERS

OW171252 Beijing XINHUA Domestic Service in Chinese 0747 GMT 17 Sep 86

[Text] The State Council announced the appointments and dismissals of a group of state functionaries on 4 and 27 August and 4 September 1986.

Ye Ging [0673 7230] has been appointed vice minister in charge of the State Economic Commission; Zhang Dejiang [1728 1795 3068] appointed vice minister of civil affairs; Zhang Hongren [1728 1347 0088] and Fang Zhangshun [2455 2874 7311] appointed vice ministers of the Ministry of Geology and Mineral Resources; Lu Xusheng [1720 0650 3932] appointed vice minister of Metallurgical Industry; Zhang Baoming [1728 1405 2494] appointed vice minister of coal industry; Li Boyong [2621 0130 0516] appointed vice minister of labor and personnel; Guo Yunzhong [6753 0336 0022] appointed director of State Air Traffic Control Bureau; Huang Pingtao [7806 1627 3447] appointed deputy general manager of the China State Shipbuilding Corporation; Wang Jun [3769 6511] appointed vice president of the China International Trust and Investment Corporation; Wang Deyan [3769 1795 5888] appointed chairman of the Board of Directors of the Bank of China; and Gin Daofu [4440 6670 1133] appointed concurrent chairman, Board of Directors of the People's Insurance Company of China.

Yang Chen [2799 3819] (female) and Zhang Ming [4545 2494] (female) have been relieved from their posts as vice ministers of the Ministry of Civil Affairs; Ye Ging [0673 7230] from his post as vice minister of coal industry; Li Yunchuan [2621 0061 1557], Jiao Shanmin [3542 0810 3046] and He Guang [0149 0342] from their posts as vice ministers of the Ministry of Labor and Personnel; Bu Ming [0592 2494] from his post as chairman of the Board of Directors of the Bank of China; Zhu Tianshun [2612 3944 7311] from his post as chairman of the Board of Directors of the Industrial and Commercial Bank of China; Li Shaoyu [2621 4801 4416] from his post as chairman of the Board of Directors of the Agricultural Bank of China; and Shang Ming [1424 2494] from his post as chairman of the Board of Directors of the People's Insurance Company of China.

WANG ZHEN APPRAISAL OF MAO ZEDONG THOUGHT

HK130908 Beijing HONGQI in Chinese No 17, 1 Sep 86 pp 3-5

[Article by Wang Zhen: "Mao Zedong Thought Is the Party's Valuable Spiritual Wealth -- Thoughts on the 10th Anniversary of the Death of Comrade Mao Zedong"]

[Text] The 10th anniversary of the death of Comrade Mao Zedong falls on 9 September 1986. "The Selected Works of Mao Zedong," edited by the CPC Central Committee Editorial Committee on Party Literature, will also be published. To my mind, the best way for us to commemorate Comrade Mao Zedong is to earnestly study and propagate Mao Zedong Thought, to draw wisdom and strength from this valuable spiritual wealth, and to guarantee the success of the building of socialist material and spiritual civilizations.

Comrade Mao Zedong rendered indelible meritorious historic services for the liberation of the Chinese nation, the independence and prosperity of the state, and the establishment of the socialist system in China.

His contributions were all the more conspicuous at some critical moments in particular. In the course of the democratic revolution, Comrade Mao Zedong on several occasions saved the party and the Chinese revolution from crises, enabling the Chinese revolution to pull through, thus marching from one victory to another. The veteran fighters who followed Comrade Mao Zedong in making revolution have personal experiences regarding this. Since the founding of the PRC, Comrade Mao Zedong proposed with originality many valuable suggestions on transforming China in the political, economic, and cultural fields and opened up a way of socialist transformation of the private ownership of production means suitable to Chinese characteristics, which enabled the comparatively rapid establishment of the socialist system in China. There is no need to evade saying that Comrade Mao Zedong made some mistakes during the socialist period, the erroneous appointment of the antiparty careerists Lin Biao and Jiang Qing in particular in initiating the "Great Cultural Revolution," a grave mistake involving the whole situation, resulting in turbulence throughout the nation. However, even when Comrade Mao Zedong committed such mistakes, it was he who led the struggle in smashing the Lin Biao counterrevolutionary clique; invited Comrade Deng Xiaoping, who won the admiration and respect of people throughout the nation, to come up front, highly evaluated his personality and accomplishments, and entrusted him to take charge of party, government, and army work of the Central Committee; and revealed the ambition of the Jiang Qing counterrevolutionary clique, preventing them from realizing their evil plot of usurping the supreme leadership. Just as it was solemnly pointed out in the "Resolution on Several Historical Issues of the Party Since the Founding of the People's Republic of China," unanimously adopted at the 6th Plenary Session of the 11th CPC Central Committee, "Although Comrade Mao Zedong committed grave mistakes in the 'Great Cultural Revolution,' his meritorious services to the Chinese revolution far exceeded his faults, if we take his whole life into consideration. His feats come first, and his mistakes come second." Such truth-seeking, appropriate, and fair evaluation entirely conforms with historical facts, falls in line with the party's feeling and the people's will, and has won the admiration of our foreign friends throughout the world.

In the course of long-term revolutionary struggles, Comrade Mao Zedong wrote voluminous scientific works linking the universal truth of Marxism-Leninism with the concrete conditions of the Chinese revolution, and added many new essences to the theoretical treasure house of Marxism-Leninism. It is entirely correct to name the scientific guiding ideas derived from the collective struggle of the party and people suitable to China's actual conditions Mao Zedong Thought. This has been acknowledged by the whole party and people of all nationalities in China for several decades, and solemnly written into our party Constitution and the PRC Constitution. Many leading members and a large number of cadres grew up under the banner of Marxism-Leninism and Mao Zedong Thought. Many leading comrades of the current party Central Committee, aside from those comrades-in-arms of Comrade Mao Zedong, are all nurtured with Mao Zedong Thought. Some younger comrades are becoming prized pillars in socialist modernization with each passing day.

China has a civilization of close to 5,000 years. The Chinese nation has a revolutionary tradition and spiritual wealth worthy of our pride, of which the most valuable is Mao Zedong Thought. Mao Zedong Thought is the banner of the victories of revolution of the Chinese people. Its emergence was the inevitable result of the history of the Chinese people in their long-term bloodshed, sacrifice, and arduous struggles. Beginning with the Opium War, heroes and people with lofty ideals of one generation after another advanced wave upon wave in pursuit of truth to salvage the nation and the people, and put forth theories and plans of all kinds, but all failed in practice.

The spread of Marxism-Leninism in China renewed the feature of the Chinese revolution. However, it was not the case that the Chinese revolution succeeded as soon as Marxism-Leninism spread to China. Historical facts written in blood proved that without Marxism-Leninism, success of the Chinese revolution would not be possible; neither would the Chinese revolution succeed if Marxism-Leninism had not been linked with China's concrete conditions. The most conscious and outstanding representative of linking Marxism-Leninism with China's concrete conditions was Comrade Mao Zedong, and the spiritual result of this combination is Mao Zedong Thought. It was precisely with Mao Zedong Thought that the Chinese revolution succeeded. From Jinggangshan to Ruijin, Yanan, and Beijing, every step was a glorious record of Mao Zedong Thought. It is undeniable that Mao Zedong Thought has played a great role in mobilizing and organizing the people throughout the nation in their conscious struggle.

Has the guiding role of Mao Zedong Thought ended with the success of the Chinese revolution and the undertaking of modernization? True, Comrade Mao Zedong committed mistakes in theory and practice in his late years, but does this mean that the banner of Mao Zedong Thought can be relegated? The answer is of course in the negative. We should see that the great undertaking of modernization in which we are now engaged is to fulfill the tasks Comrade Mao Zedong has proposed, to do a good job of things we have failed to achieve, and to correct the mistakes Comrade Mao Zedong committed in his late years. At the same time, we should also see that in linking the universal truth of Marxism-Leninism with China's concrete conditions, Comrade Mao Zedong helped shape the position, viewpoints, and methods with characteristics of the Chinese Communists. This is the living soul of Mao Zedong Thought, which is of universal significance and has a long-term role of guidance. Take, for instance, the much talked-of "seeking truth from facts." This is the starting point, base, and quintessence of Mao Zedong Thought, and it will never be outmoded. "All our victories in making revolution in the past relied on seeking truth from facts; likewise, we should rely on seeking truth from facts in realizing the four modernizations." ("Selected Works of Deng Xiaoping" p 113.) The reason Comrade Mao Zedong committed mistakes in his late years lies also in the fact that he violated the "truth-seeking" spirit which he himself had always advocated. Since the 3d Plenary Session of the 11th CPC Central Committee, our party has undertaken to bring order out of chaos, and the most fundamental thing is to restore the "truth-seeking" spirit in Mao Zedong Thought. Over the past 7 years and more, our party has scored tremendous accomplishments in all fields by conducting in-depth research in China's national conditions, earnestly summing up the experiences and lessons in socialist construction, and drawing up a series of principles and policies on reform, opening up, and enlivening the domestic economy based on the basic tenets of Marxism-Leninism. We can say that every principle and policy is an offspring of "seeking truth from facts," and every accomplishment is the success of "seeking truth from facts." Responsible comrades of the Central Committee such as Deng Xiaoping and Chen Yun have on many occasions called on us to study Mao Zedong Thought, the philosophical works of Comrade Mao Zedong in particular, requiring us further setting up the basic way of thinking in line with dialectical materialism and historical materialism, which we should master in solving problems in socialist modernization. The guiding role of Mao Zedong Thought is long lasting. Comrade Deng Xiaoping has put it well: "If we fail to adhere to Mao Zedong Thought, we will commit major mistakes of a historical nature", "we should hold aloft the banner of Mao Zedong Thought not only today, but also in the future." ("Selected Works of Deng Xiaoping" pp 264, 255.)

So saying, does it mean that Mao Zedong Thought is "complete and perfect" absolute truth? Does it mean that all problems can be solved by simply copying it? No. The Central Committee does not hold such a view; nor did Comrade Mao Zedong when he was alive. [paragraph continues]

Marxism-Leninism develops with the development of practice, and it is an open ideological system. Mao Zedong Thought, as the application and development of Marxism-Leninism in China, should also be developed with the development of practice; it is likewise an open ideological system. Back in the early 1960's, Comrade Mao Zedong said that we have now entered the socialist age, and a series of new problems have emerged. "On Practice" and "On Contradiction" alone are not enough to meet the needs of the new situation, and we should write new works and form new theory. Comrade Mao Zedong was a revolutionary and theoretician rich in originality. He never regarded Marxism-Leninism as dogma, nor did he regard his own thinking and works as such. Now our party Central Committee has proposed some new concepts and theories and drawn up a series of new principles and policies on the basis of studying the new situation and solving new problems in line with the stand, viewpoints, and methods of Marxism-Leninism and Mao Zedong Thought, bringing forward its originality. The theory and practice of "building socialism with Chinese characteristics" have locally demonstrated the fact that our party has adhered to, as well as developed, Mao Zedong Thought in the new historical stage. No one can deny that the banner of Mao Zedong Thought has become all the more brilliant and eye-catching in the practice of building socialism with Chinese characteristics through bringing order out of chaos so long as one refrains from prejudice and is bold at looking at the facts. To bring forward Comrade Mao Zedong's truth-seeking revolutionary spirit of creativity facing modernization, the world, and the future under the new historical conditions is the basic requirement for us to study and adhere to Mao Zedong Thought.

I have in recent years consecutively visited some foreign countries and talked in breadth with the figures of their political, economic, science and technology, as well as cultural circles. Many friends have admired Comrade Deng Xiaoping and our party Central Committee for the fair evaluation of Comrade Mao Zedong and Mao Zedong Thought. I deeply feel that Mao Zedong Thought has far-reaching effects in the world. This is the glory of the Chinese nation.

It has been a decade since Comrade Mao Zedong left us, as well as Comrade Mao Zedong's close comrades-in-arms, Comrade Zhou Enlai and Comrade Zhu De. We think of them with deep feeling. Mao Zedong Thought, the crystallization of the collective wisdom of the CPC, will forever stimulate and encourage us. It is the obligation and duty of every communist to highly value the spiritual wealth of Mao Zedong thought, to safeguard the banner of Mao Zedong Thought, to unremittingly persist in propagating Mao Zedong Thought, and to carry out in-depth, meticulous, and to-the-point education in this respect in diversified forms, so that more people may master and apply it. We should adhere to and develop Mao Zedong Thought in practice, follow the line formulated by the 12th CPC National Congress, and implement the spirit of the national conference for representatives. We should work hard to create a new situation for building socialist modernization in accordance with the requirement proposed by Comrade Deng Xiaoping of "building socialism with Chinese characteristics"!

RENMIN RIBAO EDITORIAL ON LABOR SYSTEM REFORM

HK110811 Beijing RENMIN RIBAO in Chinese 10 Sep 86 p 1

[Editorial: "An Important Reform of the Labor System"]

[Text] China's development of reforming the economic structure and the socialist planned commodity economy requires us to carry out corresponding reform of the labor system. The four interim provisions promulgated by the State Council on reforming the labor system are the important steps taken for the sake of conforming to this objective requirement.

China's current labor system was gradually established and developed in the '50's. It once played a positive role in assuring employment and in economic construction. During the following period of considerable length, however, this labor system was not reformed correspondingly in the wake of changes in the situation, thereby developing many weak points. Following the 3d Plenary Session of the 11th CPC Central Committee, we have carried out some reforms of the labor system in townships and made remarkable achievements. Proceeding from the labor system as a whole, however, we still have not basically reformed it. In particular, the employment system of state-run enterprises is still too centralized and overstaffed. On the one hand, the enterprises are unable to exercise their right to make decisions on recruiting workers. Those who are needed are not recruited, while those who are not needed are recruited, while those who are not needed stay in the enterprises and do not go away. Furthermore, the enterprises have to "take care of" the overstaffed workers. On the other hand, workers are unable to enjoy their right to select jobs and working units. Basically, workers are assigned to lifetime jobs. Thus develops a common phenomenon where one cannot use what one has learned. If this system continues like this, it will be unfavorable to the work of adding vitality to enterprises and the work of mobilizing the workers' initiative and creativity. Together with other reasons, there will develop overstaffed enterprises, lax discipline, and inefficiency. Like the practices of equalitarianism and the "big rice pot" in distribution the system of lifetime job security and the "iron rice bowl" practices in the labor system have seriously hindered the development of the economic undertaking. In this respect, the enterprise leadership has thought much about solving the issue while most workers are dissatisfied with the situation. Now is the time we must reform the system.

During the Sixth 5-year Plan period, China had begun experimenting with the contract system in some localities and units. Now, 3.5 million workers are employed under China's contract system, accounting for more than 5 percent of China's total number of workers. Implementation of the contract system has changed the old practice of fixed labor. Under the new system, laborers and employers negotiate the contract terms on an equal basis and sign contracts that clearly state both parties' duties, rights, and interests. Upon the expiration of the contract, both parties may renew it. But if one of the parties refuses to do so, the contract will be terminated. The advantages of the contract system were shown in the experiments, which have also provided us experience in reforming the labor system across the country.

Following the 3d Plenary Session of the 12th CPC Central Committee, reform of the economic structure, which focuses on cities, was carried out on full scale; the socialist planned commodity economy was constantly developed; and the role of market mechanism became more obvious. On the coordination of labor force and means of production, we must strive for rational circulation and flexible readjustment, while maintaining a relatively stable labor force. The contract system can meet this objective requirement, so that both enterprises and laborers may "choose each other" under certain conditions. Therefore, we can have more reasonable and effective coordination of the labor force and the means of production. As a result, enterprises may constantly improve the labor force structure and the organization of laborers, as well as their quality. The laborers' production initiative and creativity will be given play in a better way, so that production efficiency and economic results will be improved, enterprises' vitality and competitiveness will be strengthened, and the productive forces will be developed. We must unswervingly reform China's labor system in accordance with this development trend.

The focal point of the four provisions recently promulgated by the State Council on reforming the labor system is to reform the employment system. That is, all new workers of the state-run enterprises will be employed under the contract system, and the recruitment will be carried out in an open way. [paragraph continues]

The old practices of recruiting children of a retired worker to replace him in his job, as well as recruiting children of workers who work for the enterprises, will be abolished. According to the provisions, the state can, through planning and necessary readjustment, break through the "ownership" of labor force by units, so that the skills and jobs of laborers are linked. This plays a positive and promotive role in improving the enterprises' quality of workers and strengthening the enterprise management. At the same time, through the signing of labor contracts, the material interests of laborers are linked to their labor contributions in a better way, the job security of laborers is closely linked to the destiny of enterprises, and the laborers' efforts for society, enterprises, and themselves are merged into one. This helps strengthen the laborers' sense of being the master of their own affairs, as well as the sense of responsibility, while reflecting in a better way their status of being the master of their own affairs. However, the socialist contract system is essentially different from the capitalist hired labor system. Workers recruited under the labor system also differ from those recruited under the old "contracted labor" system. The former is a new system of employment, under which the recruited workers are formal employees of enterprises; whereas workers recruited under the latter system were, in a certain sense, a kind of temporary worker. Judging from the whole society, reform of the labor system helps laborers develop in a comprehensive way and helps cultivate a new generation of laborers, which conforms to the basic interests of peoples and will therefore receive great support from the masses.

This reform of the labor system involves the overall situation of the economic structural reform, as well as a people's immediate interests. It also involves people's traditional concepts, the force of habit, many social sectors, and the nature of policy. Therefore, various sectors of society should coordinate the work in a positive way. Party committees and government at all levels must assign the work to their responsible people. They should really strengthen their leadership and do well in the work. At the same time, they should strengthen the propaganda and explanation work. They should lead the workers to correctly understand the goal, significance, and necessity of reforming the labor system, as well as to consciously devote themselves to the reform and ensure healthy and smooth progress of reform.

LIAOWANG DISCUSSES REFORM OF LABOR SYSTEM

HK170321 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 36, 8 Sep 86 pp 3-4

[Article by Li Yongzeng: "China's Labor System Must Be Transformed"]

[Text] China's long-standing labor system characterized by "centralized placement" must be reformed, as it has evidently become incompatible with the deepgoing development of the reform of the economic structure. Since 1980, China has experimented with the labor contract system in some cities and has achieved positive results which will provide valuable experience for the all-round reform of the labor system. With preparations having been made for a long time, the conditions for popularizing the labor contract system are now ripe. Hence, while new workers are recruited for state enterprises, the existing system of employing permanent workers will be abolished and be replaced by the labor contract system.

Following the implementation of the new recruitment system, the "big public pot" and "iron rice bowl" will be smashed among the newly recruited workers. This is no trivial matter to the Chinese people who have worked for more than 30 years under the existing labor system. The results of the experiments show that the labor contract system can arouse the initiative of workers and invigorate enterprises.

The Main Contents of the Reform

The implementation of the labor contract system can only be regarded as a component part of the reform of China's labor system as a whole. The entire reform will be a long-term, arduous task. The focus of the current reform is the recruitment system. The changes resulting from the recruitment system are bound to bring about a series of new social problems. Therefore, the reform should be carried out in an all-round way. The main contents of the labor contract system include the following:

-- The implementation of the labor contract system among newly recruited workers.

The purpose of the reform is to change the existing method of merely using administrative means to place and employ workers, and to enable enterprises and workers to consult with each other on an equal basis, make their own choices under given conditions, and define the labor relationship between both sides through the form of a labor contract. Under the new system, both enterprises and workers will be bound by the duties, responsibilities, and rights spelled out for each side in the contract. The term of the contract can be discussed and determined by both parties according to the needs of the enterprise and the workers' wishes. With the approval of both parties, the contract may be renewed after its expiration. If any side violates the contract, it should bear the responsibility.

The labor contract system retains the strong points of the old job assignment system yet allows the elimination of its defects. Under the new system, workers have the right to choose jobs and enterprises have the decision-making rights in recruitment, which can promote the rational motivation of manpower. It is also advantageous to the socialization of manpower management. Contract workers and permanent workers enjoy the same rights and treatment. The difference is that contract workers will not get the excessive welfare benefits in labor protection and wage increase. However, their loss in labor protection benefits will be compensated. Therefore, the wages of contract workers will be relatively higher.

-- New workers will be openly recruited from society and the best will be selected.

The current system of "children replacing their parents" and enterprises recruiting workers from family members of the staff members and workers should be abolished so as to create conditions for the laborers to choose jobs. By recruiting new workers from society, we can ensure quality recruitment, improve the quality of workers, and enable both enterprises and workers to make their choices.

-- Enterprises have the right to dismiss workers who violate discipline.

The purpose of permitting enterprises to dismiss workers who violate work rules is to strengthen labor discipline and maintain the normal production order. This actually means that the "iron rice bowl" no longer exists. In the past it was very difficult for enterprises to deal with the workers who had violated labor discipline but had not reached the point where they could be dismissed. Under the new system, enterprises have the right to dismiss workers who have violated discipline and who refuse to mend their ways after administrative disciplinary measures are taken. The new system has clearly specified the conditions and procedures for dismissing workers. [paragraph continues]

The dismissed workers also have the right to appeal to arbitration if they feel wronged. While the dismissed workers are unemployed, they will receive unemployment benefits from the state.

-- Establish an unemployment insurance system and a retirement insurance system.

The establishment and implementation of an unemployment insurance system and a retirement insurance system are the corresponding reform measures for resolving the problems left over from enterprise bankruptcy and for implementing the labor contract system and the regulations for dismissing workers who violate work rules. They are the important conditions for enforcing the relevant laws and regulations and for dispelling the doubts and fears of the contract workers.

The Purpose of the Reform

China's existing labor system was gradually established and developed after the founding of the PRC. This system is characterized by "centralized placement" of the labor forces in cities and towns by the state, in which workers and staff members are attached to a state enterprise for life. Such a labor system came into being under special social conditions which played a positive role. It was suited to the economic system at that time.

Confronted with a situation of a collapsing economy, appalling unemployment, and numerous tasks yet to be undertaken left over from old China, it was imperative during the initial post-liberation period to stabilize the society and resume and develop the economy. In 1952, the Government Administration Council made a decision which pointed out: "Even if they have difficulties, the state and private enterprises must not be allowed to dismiss workers." The state also adopted the policy of undertaking the surplus labor caused by production reform which increased labor productivity. This was the background of the old job assignment system. Later, with the stress put on mandatory planning economically and social stability politically, the labor system based on permanent workers was gradually perfected.

However, the defects in this labor system became evident with the expansion of social production and the development of the market. The main defects were the extensive range of workers undertaken by the state and the inflexibility in deploying manpower. With the determination to carry out reform, the government proposed two labor systems after 1956, namely, "use more temporary workers and fewer permanent workers." Influenced by the historical conditions at that time, the reform could not continue. The reform was negated at the beginning of the "Cultural Revolution." In 1972, the temporary workers became permanent workers, which enhanced the job assignment system. As a result, the labor system characterized by "centralized placement" continued.

The essential defect of the existing labor system is its "rigidness," which conditions the invigoration of enterprises. Moreover, it encourages laziness, which hampers the initiative of the laborers. These defects have adversely affected the attainment of better economic results and development of the social economy.

In the course of implementing the job assignment system, labor quotas were assigned from the top to lower levels. The authorities decided on the selection and placement of personnel, while the labor department, which served as intermediaries, tried to fulfill the state's plan and make employment arrangements. The labor departments usually apportioned manpower, regardless of the specific characteristics and requirements of enterprises. [paragraph continues]

Consequently, enterprises could not employ workers according to their needs. Sometimes enterprises got a lot of new workers when they did not need them at all, which caused enormous waste, and sometimes they got none when they were badly in need of them. As a result, some units were overstaffed while others were short-handed. The workers assigned could not adapt themselves to the work, while competent people were not placed in the appropriate posts. These defects hampered the initiative of enterprises.

Regarding the workers, once they join an enterprise, they are provided with an "amulet" and "iron rice bowl" and they may eat from the "big public pot." They are attached to the enterprise for life, regardless of their performance. On the one hand, the laborers have no pressure and are not worried about losing their jobs; on the other hand, it encourages a lazy and dependent mentality in some workers. Meanwhile, under the labor system characterized by centralized placement, laborers do not have the right to choose jobs. The jobs assigned usually are not in accord with their wishes. It is also difficult to give full play to the wisdom and intelligence of the individuals because the workers are not allowed to transfer even when the jobs assigned are not in accord with their skills. All this dampens the enthusiasm of the laborers.

The ultimate purpose of the reform of China's economic structure is to bring the laborers' initiative into full play, invigorate enterprises, increase the efficiency of society as a whole, and achieve the four modernizations as quickly as possible. As the laborers, enterprises, and state are all dissatisfied with such a situation, it is quite obvious that the existing labor system should no longer be implemented. The reform of the labor system and implementation of the labor contract system have been raised precisely under such circumstances. This involves the fundamental interests of millions upon millions of people. In order to answer the questions raised by the people and gain experience to perfect the new system, the government has decided to conduct experiments on selected points.

The Reform Experiments on Selected Points

The reform of the labor system started after the government put forward the "three-in-one" employment principle. Confronted with the serious unemployment situation reaching 5.9 percent in cities and towns in 1979, the government, in connection with the development of various forms of ownership, called on the labor departments to introduce jobs and encouraged self-employment by individuals or organizations, thus putting an end to the situation of merely relying on state enterprises and institutions for employment. They now total over 17 million self-employed laborers, 30 million workers in collectively owned enterprises, and around 7 million staff members and workers in state-owned enterprises in cities and towns throughout the country. The coexistence of various ownership forms changed the social outlook on employment and created conditions for the reform of the recruitment system. In other words, even if a contract is terminated, the laborers may join the collective enterprises or start their own business.

Beginning in 1980, experimentation on the labor contract system gradually started throughout the country. There are now 3.5 million contract workers in 29 provinces, autonomous regions, and municipalities, which accounts for around 5 percent of the total number of workers in state-owned enterprises.

The results of the experiments show that the contract system has smashed the "iron rice bowl" and "big public pot." As a contract is signed voluntarily between both parties, it can enormously arouse the initiative of the workers

First, it has strengthened labor discipline and increased the attendance rate. Among the permanent workers who hold "iron rice bowls," there are some who often make minor mistakes. As the enterprise can do nothing to them, they are lax in discipline. The contract workers, however, are bound by the terms of rewarding the diligent and punishing the lazy as specified in the contract, so they consciously abide by discipline and their attendance rate is higher than that for permanent workers. According to the statistics prepared by Qingdao City, the attendance rate of contract workers is generally 3 percent to 10 percent higher than that of permanent workers.

Second, it has aroused the enthusiasm of the workers for acquiring professional and technical proficiency. As the technical know-how of the laborers is closely related to the signing or renewal of the contract, it impels them to engage in study conscientiously. For example, the Beihai Subbureau of the State Oceanography Bureau recruited 39 contract workers in 1983. After 6 months of training, their technological level surpassed that of the permanent workers who had 5 years' experience.

Third, it has increased labor productivity. As contract workers have chosen the units and posts according to their own wishes, they can realize their work ideals. Therefore, they usually work with great enthusiasm and creativity. Meanwhile, the contract workers will not be dismissed within the term of the contract and the contract may be renewed so long as they maintain a good performance. This impels workers to work hard. As a result, it increases labor productivity and enterprise efficiency.

According to a recent survey conducted by the National Federation of Trade Unions among 600,000 staff members and workers, 77 percent supported the implementation of the labor contract system. Of this, 38.7 percent believed that the reform would be advantageous to smashing the "iron rice bowl" and to promoting technological progress; and 38.5 percent believed that it would be advantageous to strengthening enterprise management and increasing labor productivity. According to a sample survey conducted recently in Guangzhou among 300 young contract workers, casual laborers, and youths applying for jobs, 30.9 percent favored the new system.

Viewed from the progress of the economic reform as a whole and the will of the people, the time for extensively implementing the labor contract system among newly recruited workers is ripe. It is high time for us to start the reform. Naturally, the experiments have also revealed certain misunderstanding in this newly emerging situation. For example, in a number of enterprises in Shanghai, some contract workers left without giving any notice, which adversely affected normal production. Meanwhile, the leaders of some enterprises did not treat the contract workers equally without discrimination. In addition, the leaders often threatened to "dismiss" the contract workers, thus hurting the feelings of the latter. These unexpected consequences, which have attracted public attention, should be overcome in the course of reform.

China now has 3.5 million contract workers who do not hold "iron rice bowls" and will not "eat from the big public pot." With the popularization of the labor contract system, the number of these workers will increase enormously. However, if we do not take measures now to reform the existing job assignment system which involves more than 60 million staff members and workers in state enterprises, it will take another 30 years to completely abolish the "iron rice bowl" and "big public pot." Obviously, the next target in the reform of China's labor system has already been determined.

RENMIN RIBAO ON BUREAUCRACY, MANAGEMENT SYSTEM

HK160921 Beijing RENMIN RIBAO in Chinese 12 Sep 86 p 5

[Article by Yang Chengxun: "Bureaucracy and a Management System Characterized by Overconcentration of Power"]

[Text] For a long period of time in the past, administrative organs at all levels in our country directly administered the economy and played a decisive role in our economic life. Such a deep-rooted system gave rise to the following very queer phenomena: With the development of our economy, our organizations became more and more complicated. The more efforts we exerted to reduce personnel, the more people we employed. It is inconceivable to enliven enterprises, do well in promoting lateral ties, and develop a planned commodity economy by relying on such management system characterized by overstaffed organizations, low efficiency, and overconcentration of power. Therefore, as early as 1980, Comrade Deng Xiaoping pointed out that we should reform this system. At that time, he stressed pertinently: Our present bureaucratic phenomena, such as excessively large and overstaffed organizations, dilatory work style, and so on are "closely connected with our long-standing view that our socialist system and planned management structure should impose a management system characterized by overconcentration of power on our economy, politics, culture, and society." Actually, this was a problem of understanding the planned economy.

In the past, we equated a planned economy with a product economy of "direct production and distribution," expelled the commodity economy, and regarded all society as a "big factory." In so doing, we naturally needed an "administrative office" responsible for a unified production and distribution, which had a more and more elaborate division of work. Therefore, the state administrative organs became main bodies of business management, and their dominance was vertically extended to localities and enterprises. In our administrative structure, about two-thirds of our administrative organizations were established according to economic specialties. Although some of our organs did not directly administer the economy, they directly controlled economic departments and enterprises as well as personnel power inside enterprises. Therefore, the more we stressed the "planned economy," the more we strengthened and expanded administrative and management organizations. In such a way, our administrative organizations expanded abnormally. All this has shown that negating the role of enterprises as relatively independent producers and operators of products, strangling and restricting the vitality of enterprises, and making administrative organizations direct operators of social production will result in excessive expansion of administrative organizations and impede the development of the socialist commodity economy.

Theoretically, we very often quoted remarks of classics authors on the centralized management needed for a planned economy. For example, Lenin said that a socialist planned economy was a "centralized economy." However, while doing so, 1) we forgot the principle of seeking truth from facts, and failed to correct some conclusions made by our predecessors in light of practical experience and the changing situation; 2) we neglected an important fact: During his later years, Lenin corrected certain of his predecessors and his own views in light of practical conditions and reality. During the period of the new economic policy, he repeatedly announced that direct involvement in the "production and distribution of the state" was a mistake. He sharply criticized the trend of "bureaucratization with regard to the problem of planning." [paragraph continues]

He exhorted the whole party: "Bureaucracy is the biggest defect in all work of our economic organizations. Communist Party members have become bureaucrats. If there is anything which can destroy us, it is bureaucracy." Such a great change demonstrated that in practice Lenin began to realize the necessity of coordinating relations between commodity and currency and the inexorability of their links.

At present, we should proceed from reality, and change the idea which equals planned economy with product economy. We should clearly realize that the theory on "big factory" does not reflect the characteristics of the socialization of production, and that the overstaffed administrative organizations (including offices of party committees) characterized by overconcentration of power do not conform with the demand of the planned commodity economy. Although the socialist commodity economy needs a regulating center and proper administrative meddling, such regulation does not mean direct operation and direct control. Within a scope of independent operations of enterprises, administrative organizations of the state can generally do the work of coordinating, supervision, and providing service with emphasis on service work. When the state is formulating and implementing a plan, it should consciously make use of the law of value, pay attention to the changes of relations between supply and demand, and adopt a more flexible attitude to follow a key method of guidance planning. In such a way, the economic functions of the state will greatly change in both intension and extension.

Some people maintain that when the division of labor in society is becoming increasingly elaborate, there should be increasingly more state economic management organizations. They confuse the two different concepts. Division of labor in society refers mainly to production and its subsidiaries, whereas state economic management organizations belong to the superstructure. Although the establishment of state economic management organizations should be in accord with the demand of the division of labor of society, it does not mean that their number should be getting larger and larger. Judging from the situation in economically developed countries, we know that their division of labor is extremely developed. However, their economic management organizations set up by the state are comparatively simple. In a socialist country like ours, an economy under ownership by the whole people (ownership of the state) should become a main body. But ownership should be separated from the power of management. It is unnecessary for the owner to directly run the enterprises. Organizations responsible for macroscopic control should also be well organized and capable.

We should realize that the economic management system characterized by overconcentration of power, which is based on the theory of product economy, falls increasingly short of meeting the demand of planned commodity economy. It has even become a major stumbling block to the normal operation of commodity economy. Its main defects are:

1. It gives rise to bureaucracy. It is difficult for production to satisfy social demand because of the unrealistic plan. This will cause severe waste. Issuing confused orders, blindly seeking high speed, excessively expanding the scope of capital construction, "hunger and thirst for investment," and so on are directly connected with the direct economic management of the administrative organizations.
2. It causes huge financial expenses. Administrative expenses in 1984 were 12.77 billion yuan, which was equal to 24 percent of the capital construction investment made by the state. Administrative management expenses in 1984 were 44.1 percent more than previously planned (3.696 billion yuan). This was equal to 73.9 percent of the financial deficits of the same year. In other words, three-fourths of the financial deficits was due to overspending of administrative expenses.

3. It encourages various kinds of unhealthy trends. Feudal special privilege mentality and the concept of hierarchy take advantage of this loophole to affect normal economic operations.

4. It impedes the invigoration of enterprises. Enterprises are cells of the social economy and follow their own law of independent operation. The fact that enterprises keep the initiatives in their own hands is an objective requirement of the socialist commodity economy. However, overconcentration of power by administrative organizations, employing too many working personnel, creating too many barriers, and refusing to delegate power have constituted a severe obstacle preventing enterprises from truly exercising their own independent power. Various kinds of exaction of extra payment and assignment of additional work mainly come from administrative organizations in different departments and sections. Due to the fact that administrative organizations control enterprises, factories and companies have established administrative departments or offices in accordance with the pattern of government organizations. This has resulted in an excessively high proportion of full-time administrative personnel inside enterprises. All these have become a major hindrance to the development of enterprises.

5. It is difficult to give play to the role of economic levers as an indirect means of control. The phenomena of power overweighting law and failure to go about things according to law have happened from time to time. Several main levers for direct control (banks, finance, prices, wages, and so on) cannot operate normally because of the hindrance erected by administrative organizations. The practice of setting up barriers between different departments or regions, and restricting the activities of enterprises to a designated area or sphere has impeded the smooth circulation of commodities, capital, and technology. The establishment of a planned market system is fairly slow, and the formation of lateral links between enterprises is hindered.

Large and overstaffed administrative organizations have inhibited the growth of talented personnel. We lack talented personnel as far as the need of the whole society is concerned. However, many individual organs let talented personnel lie idle. There is no place for talented personnel to use knowledge acquired at universities and schools. Many of them idle away their time.

Reforming the management system characterized by overconcentration of power is an important part of the reform of our country's political structure. This reform should take serving the smooth development of socialist commodity economy as its basic principle.

First, we should give up the formula of equating planned economy with administrative unified control, and abolish a series of concepts, including "theory on product economy," "theory on big factory," "theory on direct management of the state," "theory on taking administrative organizations as main bodies," "theories on the omnipotence of administrative organizations," and so on. We should understand again economic functions of the state on the basis of developed socialist commodity economy. During structural reform, we should link the reform of state administrative organizations with the operations of the socialist commodity economy, so that the former will conform with the development of the latter.

Second, while reforming the state organizations, we should reduce the economic management functions of the administrative organizations and turn their functions of unified control into those of coordinating and providing service. The present task which we should first of all accomplish, is that according to the explicit stipulations of the state, we should delegate power to enterprises without any reserve. The tasks should be completed one after another.

Third, truly in accordance with the requirements of streamlining organizations, enhancing work efficiency, practicing thrift, and preventing bureaucracy, we should reduce the number of administrative cadres and establish and perfect our system of personal responsibility.

GONGREN RIBAO COMMENTARY ON BANKRUPTCY LAW

HK130654 Beijing GONGREN RIBAO in Chinese 3 Sep 86 p 1

["Special Commentary" by Cao Siyuan: "Also Talking About the Opportunity for Establishing the Bankruptcy System"]

[Text] In the study of the enterprise bankruptcy system, some people believe that the opportunity for establishing this system has not come and that promulgation and implementatin of the enterprise bankruptcy law should wait for completion of economic structural reform. In the minds of these comrades, economic structural reform can be completed without the formation of an enterprise bankruptcy system. These comrades probably lack good understanding of the purpose of economic structural reform and the content of the bankruptcy system.

As everyone knows, the purpose of China's economic reform is to develop the socialist commodity economy and to enable enterprises to become independent commodity producers that can assume sole responsibility for their losses or profits. Without a bankruptcy system, enterprises can enjoy their "special meals" when they make profits but "eat from the same big pot" when they incur losses. There is no fear of bankruptcy for them. Thus, enterprises are reasonable only for their profits but not for their losses, and the principle of "assuming sole responsibility for their losses or profits" will remain empty talk. How can the target of economic reform be realized?

In a sense, the commodity economy is a competitive economy. The socialist commodity economy will not develop without socialist competition. Like sports matches, rules should also be applied to economic competition, and the basic rule is elimination. Without an elimination system, there can be no winners or losers. If everyone muddles along, how can there be competition? Therefore, without an elimination system, it is impossible to carry out competition. Proposing the implementation of a bankruptcy law after completion of economic reform is as unrealistic as recommending the announcement of competition rules at the end of a sports match.

"The law governing companies has not been formulated. How can a bankruptcy law be put into effect?" As a matter of fact, the bankruptcy law has a history of over 2,000 years, whereas the law governing companies has a record of merely 180 years. The formulation of a bankruptcy law does not take the law governing companies as a prerequisite. The law governing companies stipulates the type, establishment, dissolution, organizational form, rights, and duties of a company. The bankruptcy law provides that when a debtor finds it impossible to pay his debt, he could declare his company bankrupt and his assets should be liquidated to pay his debt to the creditor. In short, so far as an enterprise is concerned (a company is also an enterprise), the law governing companies involves the division of responsibility for the owners (shareholders) of the enterprise, whereas the bankruptcy law is aimed at solving the payment of debt (to the creditor) by the enterprise. Obviously, the enterprise should be put under the bankruptcy law and strictly undertake the responsibility of paying debts, regardless of its organizational form and responsibility division. If it cannot pay its debts, it should declare bankruptcy. This is a question beyond doubt.

"As the factory director and workers cannot have the final say, the higher authorities often issue confused orders, and as there is no distinction between the responsibility of the higher authorities and the lower levels, it is unfair to exercise the bankruptcy law!" Without exercising the bankruptcy law, bankrupt enterprises will not be held responsible for their bankruptch, and there is no need to make a distinction between the responsibility of the higher authorities and the lower levels. As a result, their relationship can never be straightened out. Implementation of bankruptcy law will help stop the habit of refusing to pay debts and the practice of "eating from the same big pot." When an enterprise goes bankrupt, its factory director, staff, and workers will lose their jobs. This will make the higher authorities and the lower levels seriously consider their problems. The enterprise will have no coice but to defend its autonomy and the higher authorities will become "open-minded." This will facilitate settlement of the relationship between the higher authorities and the lower levels.

What are the necessary conditions for formulating an enterprise bankruptcy system? One condition is commodity production. The PRC has been in a state of commodity production since its founding. PRC has been in a state of commodity production since its founding. Commodity production will inevitably give rise to the relationship between the creditor and the debtor. In such cases, failure to pay debts and bankruptcy will occur. Thus, it is necessary to work out methods to handle bankruptcy cases. In this sense, it is not too early to formulate a bankruptcy system, as this matter has been delayed for over 30 years.

The "General Provisions of the PRC Civil Law" announced not long ago stipulate the rights and duties of enterprises and that the legal persons of enterprises are entitled to declare the bankruptcy and termination of enterprises. It also provides that the legal persons of enterprises under ownership by the whole people bear civil responsibility for the property entrusted to these enterprises by the state and that the legal persons of enterprises under other ownership systems bear civil responsibility for all the property of these enterprises. This has laid a legal foundation for promulgation of the enterprise bankruptcy law.

The state is also working out the relevant regulations on job insurance for staff members and workers of state-run enterprises. This provides social guarantee for the future implementation of the bankruptcy law in state-run enterprises.

Therefore, we can say that the opportunity and conditions for exercising the enterprise bankruptcy system are mature. Other conditions can be created in the course of exercising the bankruptcy system. Obstacles on the road of advance can only be removed in the course of advance. Trying to advance only after all obstacles are removed means not to advance, and not to advance will come to nowhere.

LIU ZAIFU SPEECH ON LITERATURE BREAKTHROUGH

HK100012 Beijing RENMIN RIBAO in Chinese 8 Sep 86 p 6

[Article by Liu Zaifu: "Breaking Through and Deepening Literature in the New Period" — excerpts of the speech given by the writer at the symposium on China's literature in the 10 years of the new period, to which subheads have been added by the editor and the full text of which will be published by WENWEI BAO]

[Text] Abstract: The new period is the period in which literature has been most prosperous since the founding of the PRC. [paragraph continues]

Literature has been emancipated from the fetter of the "theory of literature being a tool," and realized its own special task and its special duty in emancipating people's minds. An era of literature with personality and consciousness has thus begun. — The literature of the new period has undergone political and then cultural introspection. In other words, a self-examination of the cultural psychological structure collectively, but there is still a lack of the consciousness of repentance by our nation together or of self-consciousness. — The process of the development of literature in the new period is centered on the axis of the rediscovery of man. With unprecedented enthusiasm, writers appeal to human nature, human feelings, and humanism and to the dignity and value of man. The conflict between the concept of socialist humanism [rendaozhuyi 0086 6670 0031 5030] and that of "regarding class struggle as the key link" is the most fundamental cultural conflict in the field of literature in this century. Literature should highly advocate socialist humanism and regard it as a holy banner. [end abstract]

It has already been 10 years since we began to embark on the route of literature of the new period. This literature is very magnificent. The new period is the period in which literature has been most prosperous since the founding of the PRC. Undoubtedly, the literature of the new period has already pushed our socialist literature onto a new historical stage and roused world attention. The literature of the new period started on a desert left behind by the 10 years of catastrophe, and it has developed vigorously under the radiance of the 3d Plenary Session of the 11th CPC Central Committee. The great historical turn achieved by our party has brought bright sunshine to literature and art circles and created fundamental external conditions for literature creation in the new period.

Roughly, the following four aspects are of epoch-making significance in the literature of this period:

1. It has restored and developed the tradition of realism of the progressive literature since the "4 May" Movement; broken the feudal cultural autocracy of the gang of four and the various concepts about literature derived from this autocracy; and closed the period of "false, exaggerating and empty," and "cheating and deceiving," literature.
2. It has shared destiny with the party, motherland and people and conscientiously taken part in the process of reform in our society. On the one hand, it has acquired great motive force for its own development from the 3d Plenary Session of the 11th CPC Central Committee. On the other hand, together with the motherland, it has treated the serious mental wound of our nation and made major efforts to recover the spiritual vitality of the motherland and the position of the people as masters of the country. This shows the lofty morals and thoughts of writers.
3. It has broken the closed literature system and the "uniformed" method in writing literature works, and carried out major reform in literature concepts and in the methods of literary criticism and thus initiated an era of exploration, characterized by exploration in diverse spheres, diversification of selection and multiple competition.
4. Achievements of literature in the new period, such as novels, poems and reportage have attracted world attention. Many old writers wrote with youthful spirit and a large number of young writers, poets and critics have emerged. They jointly opened a new period of literature which has its own pattern in the history of the development of our country's literature.

I. Advancing Toward Consciousness of Art and Criticism

The first decade of literature in the new period can be said to be the decade of consciousness of art and criticism. This is shown in the following.

First, literature has been freed from the fetter of the "theory that regards literature as a tool" and realized its own tasks. Before the beginning of literature in the new period, we always had the basic concept that literature was a tool of political class struggle. At the Fourth National Congress of Literature and Art Workers in 1979, out of our respect for the internal laws of literature, we no longer raised the slogan that "literature and art serve politics." This was a logical consequence of switching the focus of our national life from class struggle to economic construction. Since then, our literature has begun to recover itself, and the relationship between literature and politics has no longer been regarded as that between forms and contents. This means that literature is no longer a form of politics. Literature has begun to become an independent sector which is assigned its own unique task. This task is to improve people's mental world through aesthetic means and help people emancipate their minds. The consciousness of art means consciously realizing its own position as art, and consciously knowing its own special duty in helping people emancipating their minds. Freeing literature and art from the "theory that regards literature as a tool," does not mean that literature and art should not be concerned about the society and politics, but means that it should be concerned about the society and politics with its own unique method in a more profound sense and should fulfill its unique tasks in the course of the progress of motherland and human race.

Second, literature has been emancipated from the unitary norm stipulated by the "theory of reflection" concerning its essence. The literature of the new period has already clarified that literature and art is the reflection of social life, but it is not merely a direct reflection and description of life in reality. It is also a reflection of man's own mental and emotional life. The literature method of "reappearance" is no longer regarded as the only legitimate method of literary thinking. Writers have begun to pay greater attention to "representation," "reaction," "imagination" and other methods. On the basis of this understanding literature has broken the traditional realistic and combined (combining revolutionary realism with revolutionary romanticism) patterns of literature creation. In this way, an era has begun in which diverse methods of writing are developing simultaneously and being probed. The two major aspects of this emancipation are: 1) It has transformed and developed the original realist pattern of literature creation, deepened the spirit of realism and transformed the system of realism into an open system. 2) There has also been a trend of diversification in the development of nonrealist methods of literature creation. As a result, realism and nonrealism are operating simultaneously and people have obtained the rights to make experiments and try diverse artistic methods.

Third, literature has been freed from the standard of absolute concept of generality, and an era of conscious individuality in art has started. The once-missed subjective nature of the writers is regained under external social conditions of "freedom of creation" and "freedom of comment." This is followed by the awakening of individuality, which is continuously breaking through the standard of generality. The writers have gradually realized that only when they have freedom of mind can they really enjoy freedom of creation and freedom of comment, and can they have their own specific styles. They are already fed up with the stereotyped and uniform artistic pattern and no longer regard individuality as the extension and concrete form of generality.

The awakening of individuality in art has also resulted in freeing art from the fixed aesthetic standard. A certain aesthetic ideal is no longer regarded as a unified aesthetic ideal, and no aesthetic purport is to be placed on the paramount position. The intersection of pluralistic aesthetic ideals has resulted in the continuous expansion of the aesthetic category of literary creation. The entry of tragedy into socialist literature and art becomes indisputable. Moreover, some works, which were originally regarded as alien works, such as "weird" stories and "black humor," have also entered our sphere of literature, and some strange works have been created.

Fourth, an important transformation of the language symbols is being brewed. Language symbols are means of literary expression. Their changes will enhance the vitality of literature.

Fifth, in the sphere of literary criticism, there are also manifestations of criticism consciousness. This consciousness is expressed by the fact that it no longer regards itself as subordinate, or an appendage to politics and the target of criticism. In literary and art criticism, the characteristic of aesthetic judgment has been restored and the phenomenon of separating literary and art criticism, and literary creation, has been overcome. Literary and art criticism is no longer a tool of politics. The subjective nature of literary and art criticism has been further enhanced, and the critics do not merely describe the object of literature, but also give expression to the selection and demands of the subject. Over the past 2 years or so, many new criticism groups [pi ping qun ti 2106 6097 5028 7555] have gradually taken shape in criticism circles. Various systems of criticisms, such as vocabulary, reference, and concept systems, have been renewed to a large extent. As a result, literary criticism and theories have been vigorously developed.

However, if we put all this against the broad background of history, we should say that the consciousness in art and criticism in the new period is just in its initial stage. The writers are still in a period of exploration and selection. The consciousness in art and criticism does not mean maturity in art and criticism, and the liberated literary style does not mean that the writers already have their distinctive styles. Therefore, we still feel that there are some limitations which have yet to be overcome.

In our efforts to use the experiences of both traditional and Western literature for our reference, we still cannot find the internal mechanism for traditional literature to change into modern literature, nor the internal mechanism for the experience of Western art to change into our experience in the field of literature. Only when the cultural mentality of the modern Chinese is selected as the focus of judgment can we make an effective use of the experiences of ancient and Western literature. When handling the relationship between modern literature and traditional literature, we often feel vexed, and when making use of the experiences of Western literature, we often learn something superficially and find it difficult to follow a perfect road. In literary creation, this is expressed by the man-made vestiges of imitating Western literature in certain works. In the spheres of literary theory and literary criticism, when we try to create new vocabulary and break with traditional mode of thinking, we often cannot properly handle the relationship between Chinese and Western, and between traditional and modern literature. There is still a disparity between the effective strength of art and the ability of thinking. Although great changes have taken place in these spheres, we have just continued to challenge and transform the old pattern and system of criticism, and have not yet built up new and perfect symbols and concept systems of criticism.

II. From Political to Cultural Retrospection

Literature in the new period is full of feeling and pondering. In face of the historical catastrophe, the wisest sons and daughters of our nation have, in varying degrees, retrospected this catastrophe. This retrospection includes the following three aspects: 1) political retrospection; 2) cultural retrospection; and 3) self-examining retrospection.

Political retrospection is chiefly reflected by the critical retrospection in the initial stage of the new period, which is characterized by setting to right things that have been thrown into disorder. This political and historical retrospection was gradually extended from the "Great Cultural Revolution" to the political movements in the previous "17 years." It was aimed at finding the roots of the "Cultural Revolution." With the awakening of their intuitive knowledge, the writers looked at the bloody facts of the 10 years of catastrophe and made a serious criticism of the conspiratorial political clique, which had done people great harm, and their ultra-"leftist" line. In this way they voiced the aspirations of the people and displayed a high sense of justice and a high sense of responsibility as citizens. Although the works of this period were a bit rough in artistic style and jerky in language due to the long pause in writing, their spirit was extremely valuable and praiseworthy. It is appropriate to say that the scar literature and retrospection literature in the initial stage of the new literary period resembled a violent eruption of the spiritual volcano on the eastern land. It was a vigorous and indignant protest against the 10 years of havoc.

Following the political introspection, writers looked ahead and took a step further to seek the cause of the outcome of the "Great Cultural Revolution" from the angle of historical culture. From political to cultural introspection, writers focused their attention on the psychological structure of the modern culture of the Chinese people, and depicted the collective unconsciousness of the nation.

The high tide of such cultural introspection has gradually taken shape over the past 2 years. For example, Wang Meng's novel "Activities Mirror Man's Character" indicates that the historical consciousness of Chinese writers has been raised to a new level. This novel can be regarded as a mirror of China's historical and cultural psychology. It has sternly questioned the unchangable dark aspects in the structure of China's history and culture. The cultural psychology is precisely the cultural basis of the decade long catastrophe.

The ideological trend of "seeking the source" which appeared in recent years has also indicated the blurred intention of some young writers in examining China's historical and cultural psychology. It shows that while the people have focused their attention on drawing experience from other countries, they have also sensitively taken note of seeking a train of thought from traditional culture. With their blurred intention, they have chosen a new train of thought for exploration and have attempted to develop the strong points of the Eastern culture. Such pursuit under the new aesthetic direction is the manifestation of the prosperity of literary and artistic creation. However, the cultural views expressed by them directly are not so accurate because their attempt to "seek the source" is but an imaginative expression of reviewing and seeking China's traditional culture rather than the conscious theoretical view of transforming the structure of China's cultural psychology. [paragraph continues]

To this end, it is reasonable for people to expect them to use modern views to examine tradition so as to avoid misunderstanding between their works and the mentality of the people of the motherland who are trying to extricate themselves from the traditional spiritual burdens.

Cultural introspection refers mainly to the dissection of the nation. It is the introspection of the psychological structure of mass culture. Such deepgoing introspection will inevitably require the active participation of every individual. When all members of the nation have become conscious, they will realize their responsibility and make self-examination, namely, repent with the nation. In my opinion, the consciousness of every individual to undertake the responsibility of making self-examination and confession will be the inevitable trend of historical introspection of literature in the new period. It is a pity that the subjective consciousness of the individual is not yet entirely awake and self-examination is still a weak link in the literature trend in the new period.

In other words, the general trend of literature in the new period shows that we still lack awareness in making self-examination and repenting with the nation. The necessity and correctness of condemnation are beyond doubt. However, in the criticism of a historical event, those who have made condemnation are in the position of outsiders, like a historical judge. If they were in the position of insiders, they would also become victims. As members of the nation, they have not realized the responsibility they should bear in the historical event and the national catastrophe. In the cultural introspection, it is a major progress for writers to interrogate the collective unconsciousness of the nation. Nevertheless, it seems that some writers have not fully realized the genes of traditional culture accumulated in their bodies. Naturally, we have stressed "self-examination consciousness" in the new period for the sake of examining the past from the high plane of promoting the modernization program. Such introspection does not mean to deeply regret in a passive way, but to actively ask for the price paid for the historical lesson, so that we can soberly march toward the future. Therefore, the self-examination measures we have taken are precisely for respecting and exerting ourselves.

The lack of self-examination consciousness of "repenting with the nation" is a weak point in China's ancient culture. It is tantamount to the comments made by some scholars that China has too much "literature with a sense of happiness," but lacks "literature with a sense of guilt." Lu Xun and other cultural pioneers discovered the weak point during the "4 May" movement. Lu Xun said that China's ancient culture lacked the tragic spirit. Even when tragic events were depicted in a story, it would have a happy ending. As a result, no lessons were drawn from the tragedy and nobody undertook any responsibility. While expressing the historical tragedy of the "Great Cultural Revolution," we also lacked the tragic spirit as mentioned by Lu Xun.

While pointing out the weak point on the whole, we have also noticed the valuable self-examination confession consciousness expressed in literature in the new period. For example, our beloved Comrade Ba Jin's "Capriccio" is a typical, brilliant work of repenting with the nation. The work truly presented the national calamity from one aspect, and portrayed the miserable times and experiences of Chinese intellectuals in the catastrophe. It was extremely valuable that, from the very beginning, he did not regard himself as an outsider or describe himself as a person with foresight who penetrated deeply into all things. Conversely, he displayed a high level of intuitive knowledge and the honesty of a great writer with the courage to face the reality of himself and the world.

III. Socialist Humanism and Literary Practice

The development of literature in the new period is actually the course of the concept of socialist humanism constantly overwhelming that of "taking class struggle as the key link." Through their brilliant works, our writers have made significant contributions to retaining the dignity of the people and to putting an end to the mistakes caused by the concept "taking class struggle as the key link."

We can find an important clue, that is, our literature in the new period is focused on the rediscovery of man. The literary works in the new period are touching because they have called for humanity, human feelings, humanism, and the dignity and value of man, with unprecedented enthusiasm.

Taking class struggle as the key link is regarding man as an implement of class struggle; whereas socialist humanism maintains that all practices of man, including practices in class struggle, are for the sake and emancipation of man. The reaffirmation of man can be divided into three stages.

The first stage was characterized by "scar literature" represented by Liu Xinwu's masterpiece "Class Master." This was one of the masterpieces which touched people's souls at the time. Works like this describe the national catastrophe of the "Great Cultural Revolution" squarely and in realistic spirit and point out that this catastrophe not only ruined social wealth, but also seriously distorted man's inner world. Xie Huimin was an example of a distorted character. Although works like this are crude and some of their concepts are obscure, they suggest that as soon as it emerged, new-era literature cast doubts on the cultural concept of "taking class struggle as the key link;" showed deep concern for man; and called to respect man. By institution, explorers of this literature felt that what happened in the 10 years was all inhuman. The profoundness of new-era literature started herefrom and has developed over the past 10 years. "Scar literature" during this stage gave expression to the scars and tears of the writers themselves, who looked at things from the humanist angle. It was an exposure of the inhuman tragedy of the "Great Cultural Revolution."

In the humanist ideological trend during the early period of new-era literature, what constituted this ideological trend along with the novels at that time was reportage literature. As a branch of prose, reportage literature had never gained such a great momentum. It raised China's modern prose to a new height. As historical events on Chinese soil are rich, complex, and inspiring, all a writer has to do is select and sieve the materials he obtains. No fabrication is necessary, and what he writes is inspiring enough. An outstanding representative in this sphere is Liu Binyan, whose call was centered on respecting man and the value of man. Some people repudiated his works and others welcomed his work. Why? Because Liu Binyan's works have their own characteristics which reveal human nature while describing party spirit, and reflect concern for man while expounding combat spirit. Liu Binyan combined party spirit, class nature, and human nature. Some people said that party spirit contradicts human nature, but Liu Binyan explained in his works that these two can fall into conformity. Chinese Communists cherish the best ideal of mankind and believe that socialism can be combined with "love," "humanism," and all the beautiful things of mankind.

The second stage was characterized by the emergence of works such as "Man at Middle Age," "Predestined Marriage," "As One Wishes," and "Man, Oh, Man!" which make a more direct, more conscious appeal for respecting man and the value of man. "Man at Middle Age" was the first to break the mechanical class analysis of man, and of intellectuals in particular. Transcending the theory of classes, it gives expression to the lofty mental state of a nonparty middle-aged intellectual. This work, which evoked great repercussions in society, reminds people of this: Man does everything he can for society, and society should also do its best for man. Socialist humanism should also include the obligations and rights of man. After these works, many more works emerged, strongly depicting human nature, human feelings, and humanism. They went beyond the pattern of "taking class struggle as the key link" and strongly expounded the concepts which treat man with indifference. Chinese writers in the 1980's no longer conceal humanism in their works but instead directly portray it. They call directly and loudly that man should be treated equally and not humiliated. Human society should contain love which helps protect oneself. During this stage, a large number of works appeared giving descriptions of reforms. While acclaiming reforms, these works reflect the concept that reforms are for the sake of man and are aimed at allowing man a better life. As these works concentrate on the destiny and psychological state of man in the course of reforms, they can profoundly reflect some in-depth changes in society which cannot be expressed in other ways.

The third stage was a stage in which humanism developed more profoundly. As a result, people obtained a more profound understanding of man. Zhang Jie's work entitled "Love Is Unforgettable" suggests that Chinese writers have begun to view the question of showing concern for man from the sentimental angle. A humanist ideological trend has further developed in recent years which has led to the emergence of modern concepts concerning man. There are two particularly prominent points in these modern concepts.

First, man has been considered as man, that is, man has been considered as alive and real rather than perfect and superman. This concept holds that no person is perfect and every person must have his specific shortcomings. It also holds that man includes contradictions and that qualitative changes may occur in man's life. This concept has led to some changes in the description of man in literature in the new period: Man's character has become diverse; man's heroic character has been replaced with man's more common character; the legendary heroic figures have been replaced with ordinary heroic figures; and ordinary people who function as tools have been changed into ordinary people who have their own ideas. In short, the old concept of deified and materialized man has been discarded, and the perceptual knowledge about man according to formal logic (if not this, then that has been replaced with the rational knowledge about man according to dialectical logic (if this, then that also). By recognizing that all people have their own defects, writers are free in their literary creation. This freedom is reflected in four aspects: The concept of deity has collapsed; writers can pursue humanism thoroughly; writers have gained greater courage to be creative; and writers have better realized their own position.

Second, more concern has been given to man as an individual, and the value of man's individual existence has been respected. This means that man is no longer merely regarded as an ideal element of the social collective or as being fixed in a certain social relationship. Instead, man is also regarded as an individual. It is recognized that all individuals are important, and each individual has his own specialities which cannot be substituted by other individuals. [paragraph continues]

That is to say, we should not only acknowledge that "I will not gain liberation if society is not liberated," but should also acknowledge that "if I am not liberated, there will not be any real liberation in society." The Manifesto of the Communist Party" points out that the free development of each individual is the condition for the free development of all human beings. If individuals which form society lose their dynamic position, society will not have vitality and vigor.

We should say that during the period of the Revolutionary War, the focus of our nation's life was political struggle, especially bloody political struggle. Therefore, we should temporarily subject literature and art to the needs of political struggle. So, it is absolutely necessary to stress that literature and art should serve politics, and that literature and art should be taken as a tool of class struggle. In those years, writers were treated as a screw in the revolutionary machine, and were first regarded as ideal elements in the class collective. In those years, it was right that they should temporarily restrain their personal feelings and needs. However, after liberation, the focus of the whole nation's life was not completely shifted to the new field, and our literary concepts were not changed either. In fact, our attention should be shifted from respect for the collective rationality to respect for people's individuality. That is, while showing respect for collective rationality, we should also respect man's individuality, man's individual value, and man's special ways to satisfy his mental needs. Because we did not complete this change, in the 1950's and 1960's, our main achievements in literature were still in the demonstration of revolutionary heroism and were represented by works which described the democratic revolution. Works which reflected the socialist revolution merely affirmed the concept of collective rationality. Works which affirm individuals' value, especially the spiritual value of individuals almost did not exist, and even the very small number of such works were all regarded as heretical and unorthodox.

An issue which is related to respect for man's individuality is to show respect for man's spirit. Individuality is the opposite of man's social and collective characteristic, while man's spirit is the opposite of man's material life. When humanism is deepened, it will require respect for man's individuality and spirit. After man gains a means of livelihood, he will certainly pursue something to satisfy his mental needs. To respect man's right to pursue things they need in their mental life means that we should acknowledge the difference in each person's subjective world and the rich contents of this world. Man's mental needs will not be "naturally" solved at the same time as man gains a means of livelihood. Sometimes, a person may find a suitable material position in society for his existence, but he may not definitely find a suitable mental place. So people may still feel bemused, lonely, and even pained. The mental world of modern people is even more complicated, and their feelings are freer and more changeable. The deepening of humanism must bring about a concept which shows respect for both man's material and mental needs, and more attention should be paid to the latter.

Although literature in the new period has consciously called for human feelings, human nature, and humanism, it is still an extremely arduous task to make people generally accept the concept of humanism. So far, the literary concept of humanism is often misunderstood and is even a target of attacks. In my view, the conflict between the concept of socialist humanism and the concept of "taking class struggle as the key link" will be a fundamental contradiction in the cultural and literature field this century, and may even extend into the next century.

Literature calls for humanism. It calls for society's respect and care for the individual man, and this also represents a need in the development of literature and in social development.

This call is not only concerned with man's destiny in society, but also has a bearing on literature's future. Therefore, humanism should be a major subject for literature. Literature is a branch of humanities, not only because literature studies man, but also because the essence of literature is humanism. Once literature is deprived of its humanist essence, it will lose its appeal to people. There has never been a great writer who is not at the same time a great supporter of humanism. Only by restoring literature's essence of humanism can our literature become dynamic and appealing and be able to be introduced to the whole world. Our modern literature should hold high the sacred banner of humanism, and we must do so without fearing other people's curses. Undoubtedly, our socialist literature should be full of human feelings, human senses, and humanism spirit. The practice of describing socialist literature as non-humanism in the name of opposing abstract humanism, will only bring misfortune and serious errors to our socialist literature.

LIAOWANG ON SCIENCE, TECHNOLOGY 'WHITE PAPER'

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[Article by Mu Sheng: "Science and Technology White Paper: A Guide to China's Policies on Science and Technology"]

[Text] The Chinese Government has decided that, in the future, it will no longer treat all policies on science and technology as restricted documents available only to a few people. The government will announce to the public in white and blue papers the state's comprehensive policies on science and technology, as well as policies on particular realms of science and technology, so that most scientific and technological workers, as well as citizens, can understand these policies and can coordinate with each other and promote each other's work, thereby reducing the waste of manpower and financial resources among departments, professions, and trades.

The soon-to-be-released "First White Paper on Science and Technology: A Guide to China's Policies on Science and Technology" will offer to readers the best opportunity of understanding China's present situation in science and technology.

The Work of Science and Technology Must be Geared To Meet the Needs of Economic Construction.

China now has more than 7.8 million scientific and technological workers, including over 80,000 senior personnel and over 1.5 million middle ranking personnel. There are more than 4,400 independent research institutes, as well as more than 200 specialized natural science societies and associations, in China. Since 1980, the state, provinces, and ministries have awarded prizes for more than 44,000 scientific and technological research achievements, which have together brought more than 100 billion yuan of economic results to the country.

In industry, China has developed by itself a large number of complete sets of equipment, including units for producing 300,000 tons of synthetic ammonia and 240,000 tons of carbamide, a 1.7 meter hot rolling mill, and complete equipment for a 30-million-ton open cut coal mine. In agriculture, China has popularized and now grows the hybrid indica rice, which brings an enormous amount of economic results on 600 million mu of farmland, as well as a new breed of corn on 100 million mu of farmland. China also succeeded in growing rubber trees at a higher altitude in the north. In new technology, the most notable items were the atomic bomb, hydrogen bomb, and the launching of satellites. [paragraph continues]

Others like synthetic insulin, interferon gene engineering, and so on, symbolize that the strengths and standards of China are not to be ignored in the realm of science and technology.

Three years ago, Premier Zhao Ziyang proposed the basic principle that "economic construction must rely on science and technology, which science and technology must gear to meet the needs of economic construction." By this he pointed out the general direction of scientific and technological development. This principle reflects the pragmatic spirit of China's leaders. Therefore, the State Science and Technology Commission formulated the specific contents of transferring science and technology in four areas.

First, we should transfer science and technology from laboratory to production units. Second, we should transfer them from the purpose of serving only the army to that of serving both the army and civilians. In essence, these mean that we should reform the structure of science and technology circles and popularize achievements in a quicker and more comprehensive manner. China is rather advanced in terms of laboratory achievements and military technology. Third, we should transfer them from the coastal areas to inland China. Fourth, we should transfer them from overseas to China. These two require us to break down local as well as national barriers and to carry out the policy of opening up, both to other parts of China and to overseas.

The Seventh 5-Year Plan, which begins this year, sets the goal that science and technology will promote economic development in the following areas: To selectively develop high technology and use new technology to transform old industries; to provide suitable technology to rural areas and local enterprises for development and popularization; and to strengthen the basic study and that of applying technology.

In order to promptly transfer scientific and technological achievements to the area of production, as well as to become a productive force, China carried out in 1985 a series of reforms of the old science and technology structure:

-- It reformed the system of allocating funds. China introduced the technology contract system among research institutes engaging in technological development, while introducing the system of science funds among research institutes engaging in basic study and that of applying technology.

-- It developed the technology market. The turnover volume of nationwide technology markets totaled more than 10 billion yuan, of which 2.3 billion yuan was fulfilled.

-- It strengthened its enterprises' capability of assimilating and developing technology. China established nationwide over 10,000 combines engaging in scientific studies and production.

-- It implemented at experimental units the recruitment system for technological posts, so as to promote rational circulation of personnel.

Speed up the Legislation on Science and Technology

Comparatively speaking, China's legislation on science and technology is rather backward. By the end of last year, only 2 to 3 of the 58 items of law formulated by the NPC and its standing committees were on science and technology. Of the some 3,000 administrative regulations promulgated by the State Council, 148, or 1.5 percent, were on science and technology.

China readjusts its enormous scientific and technological undertakings mainly by means of policies and administrative measures. But now the pace of legislation in this respect has been expedited.

In order to perfect the science and technology circles' awards system, the State Science and Technology Commission plans to formulate "Regulations of China on Awarding Science and Technology Prizes" based on the current four regulations on awarding prizes. These four regulations are the "Regulations on Awarding Innovation Prized," "Regulations on Awarding Prizes for Rationalized Proposals and Technological Improvement."

Under the work of legislation are:

-- The "Technology Contract Law," the revised draft of which has been submitted to the State Council for examination. This is an important law to readjust the relations between commodity production and exchange of knowledge formation. Since the establishment of a technology market in China, the number of legal disputes in the area has been on the increase, and it is now time that we should promptly pass legislation on the matter.

-- The "Law on Science and Technology Associations," the draft of which is under revision. China now has more than 200 science and technology associations, but there is still no practical law in this respect.

-- The "Atomic Energy Law," which becomes more perfect and mature after repeated discussion and revision of the draft. On nuclear safety, this draft sets strict demands on the supervision of nuclear raw material, nuclear fuel and nuclear facilities, as well as the handling and disposal of radioactive waste material. The draft also discussed the legislation and system of international cooperation and exchange in this respect.

-- The "Regulations on the Protection of Biological Fossils," which mainly strengthens the protection development of, and supervision over biological fossils through legislation.

-- The "Scientific and Technological Research Institutes Law" (called for the time being). This is the focal point of this year's legislation work.

To many people, the issue that China needs to supervise the work of science and technology by means of law is new. What must be done after the legislation work is to have the laws understood and observed by citizens.

Policies on 12 Topics of Technology

On 24 May this year, the State Council promulgated policies on 12 topics of technology. This is China's first batch of blue papers on policies concerning science and technology.

By drawing lessons from past experience, China carried out in 1979 the study of policies on technology, including such topics as energy, transport, and machine building. In connection with the centralized planning of the State Council, China started in 1983 nationwide work of formulating policies on technology, in which several thousand specialists and scholars participated.

This was China's first large-scale formulation of policies on technology following the founding of the New China. The topics discussed included almost every aspect of economic construction, such as energy, transport, telecommunications, agriculture, consumer goods production, machine-building industry, raw materials industry, building materials industry, urban construction, township construction, rural housing, and environmental protection.

The major contents of the policies are: The goal of development, the structure of trades, the choice of technological items, as well as ways and measures of promoting technological progress. Undoubtedly, the policies will provide us a scientific and practical base for overall supervision and for making the state's major decisions. The policies will also open a new path for turning the process of decision-making into a scientific and democratic one.

The Eye-Catching High Technology Development

China has worked out national plans for scientific and technological development, in 27 areas, up to the turn of this century. The plans include more than 500 scientific and technological items. In order to realize these long-term plans and ensure that China's economic construction rapidly develops on the basis of technical progress, the state selected a number of scientific and technological items that will bring significant benefits to the national economy, and has put together efforts of various sectors to tackle scientific and technological issues. Also the State Science and Technology Commission proposed the "Prairie Fire Plan," which aims at using science and technology to invigorate township enterprises and to promote economic development in rural areas. In particular, the commission proposed the study of comprehensive development of mountainous areas, and has gained experience in successfully developing the area of Mount Taihang. At the same time, China also proposed the strategy of developing high technology in a selective way, and achieved remarkable successes in the following areas.

-- Large-scale integrated circuit. China's integrated circuit output volume in 1985 was equivalent to that of the United States in 1967. The industry has mastered the techniques of producing 5-micron-wide circuits, while the research institutes have narrowed the width down to three microns. Over 890 kinds of integrated circuit products have reached international standards.

-- Computers. China has formed a considerable scale of production as well as capability of development. It has successfully developed computers that can compute vectors tens of thousands of times, as well as large computers that can compute vectors hundreds of thousands of times. It has also developed three types of super minicomputers.

-- Computer software. It is expected that by 1990, China's software technological level will reach the world's standard in the early 1980's.

-- Telecommunications. China's telecommunications through fiber optics has reached the intermediate- and short-distance practical level, while the development of microwave telecommunications has reached the distance of 14,000 kilometers. China has also succeeded in satellite telecommunications.

— Biological technology. China now has more than 100 kinds of products of biological technology, whose gross output value accounts for 1 percent of that of China's national economy. China has also made breakthrough points in studying the application of genetic engineering, which was started in the 1970's.

— New materials. China now has 80,000 engineers and technicians engaged in the development of new materials, with new achievements every year. The work has basically met the needs of economic construction and key national defense projects.

— Space technology. Up till now, China has launched 18 satellites, has developed 3 types of carrier rockets, has built 2 launching centers, and so on. In the future, it will develop more satellites and carrier rockets and put them on the international market.

— Remote sensing technology. China has established 15 remote sensing centers and formed a contingent of 3,000-odd specialists. It is building two ground stations for its earth and weather satellites.

— Laser technology. About 1 million people now engage in China's laser work, and develop many types of laser devices. China has made achievements in more than 100 items of laser application, and has put dozens of them into production.

— Isotope and radioactive technology. China now has more than 10,000 specialists engaging in the work, which includes 8 nuclear reactors, 135 low-energy accelerators, and 30 cobalt irradiating devices. There are now more than 600 kinds of isotope products available.

Attach Great Importance to Market Mechanism

In order to speed up the transformation of research achievements into practical use, China last year formed a technology market and set up China's patent rights system by implementing the "Patent Law." These measures reflect that China now attaches more importance to market mechanism and is gradually eradicating the old system, which hinders the rapid transformation of technological achievements.

In the technology market, the transfer of technology from the army to industry has been active and powerful. The fact that the army owns a large number of new technology items has attracted many trade partners.

Establishment of the patent rights system has created new conditions for promoting and developing China's intelligence resources. By the end of last year, China approved 143 patent applications out of 14,372 applications received.

The government has realized that there are certain risks during the process of transforming scientific and technological achievements into commodity production, which may eventually affect the supply of funds for the process. In September 1985, therefore, the state approved the establishment of the "Chinese Technology Pioneering and Investment Corporation" to support the undertaking. It should be said that this was the beginning of China's undertaking of investment risk.

PLA DAILY CARRIES NIE RONGZHEN LONG MARCH ARTICLE

OW171329 Beijing Domestic Service in Mandarin 2230 GMT 16 Sep 86

[From the press review]

[Text] JIEFANGJUN BAO on page 2 publishes an article by Comrade Nie Rongzhen commemorating the 50th anniversary of the victory of the Red Army's Long March entitled: The Valuable Spiritual Wealth.

The article says that the victory of the Long March shows that without the CPC's leadership, it would have been impossible to score victory in the Chinese revolution. Fighters with firm communist convictions are invincible. Today as we embark on the new long march to develop material and spiritual civilization, we should carry forward and develop the revolutionary spirit and glorious traditions of the Red Army's Long March in order to fulfill the goal of four modernizations.

YANG DEZHI VISITS GUANGZHOU PLA REGIMENT

OW170831 Beijing XINHUA Domestic Service in Chinese 1523 GMT 15 Sep 86

[By reporter Zheng Guolian]

[Excerpt] Guangzhou, 15 Sep (XINHUA) — Yang Dezhi, member of the Political Bureau of the CPC Central Committee and chief of the PLA General Staff Department, on 15 September visited the No 1 Red Regiment of a certain unit in Guangzhou Military Region of which he was the regiment commander during the Long March. He urged the new generation of the Red Army regiment to display the Long March spirit and make fresh contributions to the defense and construction of the motherland.

Yang Dezhi reviewed the old regiment which he had left years ago, and visited the "Daduhe Company," the company to which the "five heroes of Langyashan" belonged, as well as cadres and fighters of heroic companies, including the Meritorious Company which killed Lieutenant General Norihide Abe, the "Flower of Famous Generals" of the Japanese aggressor troops in China. He described for the commanders and fighters the glorious course traversed by the No 1 Red Regiment during the Long March. He said: As the advance force of the Red Army in the Long March, the No 1 Red Army experienced numerous hardships and fought hundreds of battles, and eventually scored great victory. Comrade Nie Rongzhen highly praised the No 1 Red Army for "writing a glorious page in the history of our army, and setting a good example for heroic troops." With deep emotion, Yang Dezhi said: The Red Army's revolutionary spirit of advancing in the face of hardships and of keeping firm faith in the revolutionary cause continues to be a priceless asset today as we strive to accomplish the four socialist modernizations. [passage omitted]

RED ARMY VETERANS TALK ABOUT LONG MARCH

OW171055 Beijing Domestic Service in Mandarin 2235 GMT 9 Sep 86

[Report by (Zhang Guangben): "The Marshal and the Generals Meet To Sing the Praise of the Long March"]

[Excerpts] After the rain, the weather in Beijing changed from sultry and hot to nice and cool.

The trees and flowers in the garden were bright-colored and beautiful. We were grateful to mother nature for arranging for us a day of bright sunshine and gentle breezes for the gathering of Marshal Xu Xiangqian and the generals.

On this midsummer day, the leading group for revising the battle history of the 4th Front Army of the Chinese Workers' and Peasants' Red Army was holding a meeting to commemorate the 50th anniversary of the victory of the Red Army's Long March.

Attending the meeting were Hong Xuezhi, Qin Jiwei, Li Desheng, Chen Zaidao, Chen Xilian, Wang Chenghan, Cheng Shicai, Gao Houliang, Du Yide, Zheng Weishan, Xu Shenji, Luo Yinghuai, Wang Zhengzhu, Wei Chuantong, and Chen Kang. They are all veteran cadres who took part in the Long March. For 50 years, they fought north and south on many fronts and achieved great war deeds. They have made outstanding contributions to the victory of the Chinese revolution.

At 0930 85-year-old Marshal Xu Xiangqian entered the meeting room. His face was glowing with health and he walked with vigorous strides. The generals greeted and shook hand with him. Marshal Xu waved his hand to extend greetings to the participants in the discussion. [passage omitted]

Qin Jiwei, head of the leading group for revising the battle history of the 4th Front Army and commander of Beijing Military Region, presided over the meeting. During the Long March, Qin Jiwei was in charge of an army service station. Under the extremely difficult conditions at that time, when supplies could hardly be found, he actively made efforts to obtain grain and raise money and made important contributions to the joining of forces between the 1st Front Army and the 4th Front Army and the attack to the north.

He was the first to make a speech. He said: In commemorating the victory of the Long March, we must inherit and carry forward the spirit of hard struggle and make new contributions to fundamentally improving the party's conduct and speeding up the revolutionization and modernization of our army. The Long March is an important component part of the battle history of the 4th Front Army. The revision of the battle history of the 4th Front Army is based on a script drafted in the spirit of seeking truth from facts and in accordance with the guidelines of the 3d Plenary Session of the 11th CPC Central Committee and the instructions of Marshal Xu and President Xiannian. Due to hard work of Wang Zhengzhu, Xu Shenji, and Luo Yinghuai, deputy heads of the leading group for revising the battle history of the 4th Front Army, and other comrades of the office of the leading group, most of the revised script is completed. Today's participants all personally took part in the Long March. I hope that you will give your valuable opinions. Many old comrades have come to the meeting today and have the rare opportunity to meet with Marshal Xu. I must now invite Marshal Xu to speak.

Marshal Xu spoke amid warm applause. He said: The 1st, 2d, and 4th Front Armies of the Red Army and the XXV Corps of the Red Army achieved great victory in the Long March. The victory was achieved under the leadership of the party with all units supporting each other in close coordination and fighting in unity. Through its efforts, from the joining of forces at Maogong and Danzi to the great joining of the main forces of the Red Army in Huining, the Red Army ended the long situation of being surrounded and attacked in separate locations by the Kuomintang army. The Red Army pushed the armed revolutionary struggle to a new phase. [paragraph continues]

This was of great and profound historical significance. We must conscientiously sum up the experience of the victory of the Long March, carry forward the spirit of the Long March, and promote economic reform and the building of socialist modernization. [passage omitted on reporter's description of the Long March]

Recalling the events of the Long March, Marshal Xu got quite excited. He said: The Long March left us many experiences and lessons. In writing memoirs, we must sum up those experiences and lessons.

Chen Shicai, who was sitting opposite Marshal Xu, chipped in some words. He said: I have seen both of Marshal Xu's memoirs. They are very educational. [passage omitted]

Marshal Xu continued: Writing memoirs is not like glorifying someone by erecting a monument to him and writing his biography. It is to correctly sum up the historical experience of the revolutionary struggle of our party and our army. We should use correct experience to educate future generations so that they can understand how one wins or ends in failure. This is precisely our purpose in writing memoirs and articles.

In summing up historical experience, we must respect the fact of history and not brag about our achievements. Bragging is not right. We must take all factors into consideration, including our weak points. We must not deny our mistakes. We must admit and correctly understand our mistakes and seriously sum up our experiences and lessons to educate ourselves, our comrades, and future generations. To make sure that things are correct, we must not claim credit for ourselves and be arrogant. History is a history of the masses, not a history of some people. If we do not correctly sum up historical experience and leave erroneous things to future generations, we will harm future generations and will have a guilty conscience toward the people, the party, and future generations. Marshal Xu became more and more excited, and his voice louder and louder.

Hong Xuezhi, deputy secretary general of the Central Military Commission and director of the PLA General Logistics Department, who was sitting beside Marshal Xu, nodded repeatedly. [passage omitted]

Hong Xuezhi said: One of the important experiences of the victory of the Red Army's Long March was unity. Unity is the guarantee of victory. Our party members and cadres should all be models in promoting unity. Zhang Guotao practiced splittism and ultimately became a traitor. This was his tragic end because he undermined unity.

Hong Xuezhi emphatically pointed out: In summing up historical experience, we must adhere to the following three principles:

1. We should attach importance to the leading role of the party. The leader and other leading members play their roles only under the leadership of the party. They cannot play their roles by putting themselves above the party.
2. We should attach importance to the role of the masses. The revolutionary cause is the cause of the masses. The cause can succeed and develop only if it receives the support of the masses; it will get nowhere if it is divorced from the masses.

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3. We should attach importance to the role of martyrs. Numerous martyrs, one stepping into the breach as another fell, have fought and laid down their lives to win the great victory of our revolution. [passage omitted]

A comrade from the Beijing TV station asked Marshal Xu to talk about his thoughts in commemorating the 50th anniversary of the victory of the Long March.

Marshall Xu took a piece of paper from his pocket, and wrote down the following four sentences:

The enemies' blockade and pursuit could not prevent the Red Army from marching forward.

The snow-capped mountains and grassland strengthened our confidence in the sure victory of our revolution.

The joining of the three main forces of the Red Army opened up a new situation for the revolution.

We must inherit and carry forward the fine revolutionary tradition.

Marshal Xu then, on the spot, put the date and his signature on the paper. [passage omitted]

The discussion ended but Marshal Xu's four sentences will be remembered by us forever. They will encourage us to forge ahead courageously on our new march.

KANG SHIEN URGES PETROLEUM INDUSTRY DEVELOPMENT

OW170117 Beijing XINHUA Domestic Service in Chinese 0904 GMT 15 Sep 86

[By reporter Huang Fengchu]

[Excerpts] Beijing, 15 Sep (XINHUA) -- The Ministry of Petroleum Industry today presented awards to 131 advanced projects, 35 personnel, and 44 advanced collectives that have made outstanding science and technology achievements. The awards ceremony was held in the CPPCC National Committee auditorium. State Councillor Kang Shien attended and addressed the meeting. [passage omitted]

Kang Shien said: Science and technology in the petroleum industry is currently undergoing three revolutionary changes; namely, in prospecting, exploitation, and drilling. We should improve, promote, and coordinate our already well-developed technology. At the same time, we should make every effort to research urgently needed practical technology and we should also keep abreast of new developments in science and technology of the world and study the most advanced technology of the world. By doing so, we can formulate a set of geological theories with Chinese characteristics and a system of prospecting and exploitation technology. In this way, China's science and technology can develop on its own. During the Sixth 5-year Plan, the economic results of China's petroleum industry were constantly raised through the overall development of petroleum technology. [passage omitted] According to statistics, 56 projects with relevant economic results created and saved for the state 1.6 billion yuan in production during the 5 years.

JIANGXI'S GOVERNOR SAID 'UNDER INVESTIGATION'

HK171408 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1202 GMT 17 Sep 86

[Report: "Jiangxi Provincial Cadres Are Involved in a Major Case Under Investigation" -- ZHONGGUO TONGXUN SHE]

[Text] Hong Kong, 17 Sep (ZHONGGUO TONGXUN SHE) -- According to reports from Nanchang, sources closed to the high-ranking leadership said the Jiangxi provincial governor had probably been under investigation recently for various violations of the party's internal discipline.

The sources said Vice Governor Jiang Zhuping has been taking care of everyday operations of the Jiangxi provincial government in the past 2 months.

So far no announcement about this has been made. But the Jiangxi provincial radio broadcasting station yesterday hinted in a newscast that "cadres at the provincial level" were involved in a "major case" recently disclosed.

The newscast condemned "some people" for "violation of the law and discipline," "abuse of official power in pursuit of personal interests," "attempt to ignore the party's leadership," and the "practice of drawing trusted followers in and pushing dissidents out." Listeners who are familiar with the situation in the province believe that this is a criticism against the principal responsible person of the provincial government without citing his name.

Qiang Xiaochu, secretary of the CPC Central Discipline Inspection Commission, announced during a meeting of the Jiangxi Provincial CPC Committee a decision on this case made by the Beijing authorities. Meanwhile, an investigation group formed by members of the Central Discipline Inspection Commission from Beijing is now on a mission in Nanchang. Jiangxi Provincial CPC Committee Secretary Wan Shaofen delivered a speech at the above meeting.

JIANGSU LEADERS MARK ART GALLERY ANNIVERSARY

OW170835 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 15 Sep 86

[Excerpts] Han Peixin, Shen Daren, Liu Lin, Wang Bingshi, Yang Yongyi, Luo Yun'ai, Zhang Yaohua, and other leading comrades of Jiangsu Province and Nanjing City yesterday afternoon joined (Xie Haiyan), (Li Jiancheng), (Liu Ruli), (Wu Baitao), and other noted artists in celebrating the 30th anniversary of the provincial art gallery. [passage omitted]

Provincial Vice Governor Yang Yongyi praised the provincial art gallery for its achievements during the past 30 years and hoped that it would continue to contribute to the building of spiritual civilization. [passage omitted]

CRIMINALS SENTENCED AT LHASA RALLY, ONE EXECUTED

MK151339 Lhasa Xizang Regional Service in Mandarin 1130 GMT 14 Sep 86

[Excerpts] Lhasa City Intermediate People's Court and Chengguan District People's Court, Lhasa City, held a 10,000-people rally in the Lhasa City stadium on 14 September to solemnly pronounce sentence on 14 criminals guilty of theft of firearms and ammunition, intentional murder, graft, receiving and extorting bribes, theft, and swindling.

Criminal (Liu Xianquan) was executed on 14 September.

The 14 criminals on whom sentences were pronounced on 14 September in accordance with the law were thieves, including (Zhaxi), (He Zhu), (Awang Luozhu), (Liu Daoyu), (Dabao), (Qiangba), (Duoje Dunzhu), and (Nizhu). Some of them conspired to commit crimes, some committed crimes in public places, and some broke open doors or windows and entered houses to steal the property of the state and individuals. Some recklessly sneaked into shops to steal money and articles. They seriously disturbed social order. In accordance with the provisions of the PRC Criminal Law, they were sentenced to set terms of imprisonment.

Sentences were also passed on two criminals, (Duoga) and (Ma Jianhua), who are guilty of intentionally causing bodily harm. Criminal (Duoga) flouted law and discipline and frequently drew a knife with intent to kill or wound people. Criminal (Ma Jianhua) held a lethal weapon in his hand and deliberately wounded other people with intent to kill. These crimes are heinous and the consequences serious. In accordance with the provision of Section 2 of Article 134 of the PRC Criminal Law, they were sentenced to set terms of imprisonment.

To severely punish criminals who seriously sabotaged the economy, on 14 September, severe sentences were passed on (Wang Mingxing), guilty of receiving and extorting bribes; (Lei Wenqiang), swindler; and (Wang Dezhong), guilty of graft. While criminal (Wang Mingxing) was an accountant of commodities in 1985, he took advantage of his position to extort and receive bribes of some 10,000 yuan from other people. [passage omitted] Criminal (Wang Dezhong) was formerly an assistant engineer. This criminal was a state technician and took advantage of his job to misappropriate an enormous sum of money for a project to engage in unlawful dealings. His measures were evil. [passage omitted]

(Liu Xianquan), guilty of theft of firearms and ammunition and murder, killed people for their money. His crime is heinous. He held a gun to people in broad daylight. He was cruel and his crime extremely heinous and the consequences exceptionally serious. According to the provisions of Articles 112, 132, and 53 of the PRC Criminal Law, he was sentenced to death and deprived of political rights for life. A report had been submitted to the Xizang regional Higher People's Court for the approval of the death penalty for (Liu Xianquan) according to the law. Criminal (Liu Xianquan) was identified, escorted to the execution ground, and executed by firing squad on 14 September.

(Liu Hongquan), vice mayor of Lhasa City, spoke at the sentence pronouncement rally on 14 September, saying: Over the past few years, social order has markedly improved but not basically improved. The criminal facts of the criminals on whom sentences were pronounced today show that the number of criminals in society is very small but their harm very big. We must pass severe sentences on these criminals, who flouted state law and recklessly committed crimes, particularly those whose crime is heinous, and a very small number of serious criminals. They deserved it.

BEIJING PARTY RECTIFICATION CONFERENCE ENDS

SK150734 Beijing BEIJING RIBAO in Chinese 5 Sep 86 p 1

[Text] More than 4,000 village-level party branches and some 100,000 rural party members in Beijing will soon begin their party rectification. By that time, the municipal rural party rectification work will enter the last phase -- the one which will have the largest scale and involve the broadest sphere. The municipal rural party rectification work conference which ended yesterday made specific arrangements for this work.

What are the guiding ideologies for the municipal rural party rectification work? The conference provided an answer for this, namely, two promotions and six contributions. In village-level party rectification, we should adhere to the principle of promoting reform and economic development. All party rectification work should contribute to deepening the development of rural reform, further improving the rural productive forces, vitalizing the rural economy, displaying peasants' production enthusiasm, better serving the capital, and building the two civilizations, especially the spiritual civilization.

To ensure implementation of these guiding ideologies, Jin Jian, deputy secretary of the municipal party committee, gave a report in which he called for efforts to help the broad masses of rural party members to foster five ideas through conducting rural party rectification in villages:

--Fostering an idea of taking agriculture as a foundation, and comprehensively implementing the principle of not relaxing grain production while actively diversifying the economy. At present, we should pay attention to stopping the trend of neglecting grain production, ensure a steady increase in grain production, and fulfill the agricultural production plan.

--Fostering an idea of large-scale agriculture, changing one-crop farming into diversified undertakings, breaking with the pattern of confining production to just one village or one township, and promoting multilayered and diversified economic cooperation.

--Fostering an idea of the commodity economy. Specifically speaking, we should have an idea of the markets, competition, profits, blazing new trails, quality first, and stressing value.

--Fostering an idea of respecting knowledge and competent personnel. We should take the lead in studying and applying science, relying on science to develop production, respecting and starting to use competent personnel.

--Fostering an idea of the legal system and taking the lead in observing discipline and the law.

The conference pointed out: In village-level party rectification, we should solve problems in a realistic and down-to-earth manner. At present, in the course of party rectification, we should exert strenuous efforts to conscientiously solve the problems in some localities which affect the deepening of the rural reform, such as neglecting service work while carrying out unified and decentralized management and neglecting grain production, and collective accumulation. [paragraph continues]

We should pay attention to protecting the reform enthusiasm of the broad masses of party members and should not simply regard their mistakes as incompetence. Still less should we allow those who do nothing to affect those who do much.

As for those masses who criticize, complain about and blame others for their mistakes, we should give them correct guidance and explain to them patiently. We should not allow the emergence of such a phenomenon as regarding a person as a hero if his reform is successful and as a target of attack if he makes mistakes. We should also exert efforts to solve the problems of abusing one's power to seek personal gains at public expense, which the people have complained about. Those party-member cadres who abuse their powers and positions to seek personal gains and to seriously violate the law and discipline should be strictly dealt with.

Attending the conference were some 400 rural work cadres from various cities, counties and townships. They also further discussed and studied the issues of enhancing the sense of party spirit of the party members, building the village-level leading bodies, and strengthening leadership over the village-level party rectification work.

Li Lian, director of the office of the Central Commission for Guiding Party Rectification, Jin Jian, deputy secretary of the municipal party committee, and Wang Xian, chairman of the municipal Advisory Commission, and other leading comrades spoke at the conference. Li Giyan, Meng Zhiyuan, Huang Chao, and other leading municipal comrades attended the meeting.

BEIJING INDUSTRIAL, COMMERCIAL BANK ISSUES BONDS

OW171431 Beijing XINHUA in English 1252 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- For the first time in local history, a bank in Beijing is issuing bonds to individuals to raise funds for the city's development.

The Beijing Industrial and Commercial Bank aims at selling 70 million yuan (19 million U.S. dollars) worth of bonds, and the target has almost been met since the selling began August 17, a bank official told XINHUA today.

The bank hopes to collect money from society to supplement its funds for loans, which are far from being sufficient, he said, adding that funds collected from the bonds will be used exclusively for construction projects.

The one-year bond has an interest rate of nine percent, higher than that for savings deposits, he said.

In a number of Chinese provinces, financial organizations and enterprises are beginning to experiment with the issuance of bonds to raise funds, according to earlier news reports.

Until now, allocations from the state budget have almost been the only source of funds for them.

HEBEI PARTY SECRETARY ON SPIRITUAL CIVILIZATION

OW171345 Beijing Domestic Service in Mandarin 0630 GMT 14 Sep 86

[Talk by Xing Chongzhi, secretary of the Hebei Provincial CPC Committee: "Go All Out To Strengthen the Building of Socialist Spiritual Civilization To Meet the Needs of Reform and the Development of the Commodity Economy" -- recorded]

[Excerpts] Currently China's socialist construction has entered the period of the Seventh 5-Year Plan. To successfully fulfill the tasks stipulated in this plan and achieve the objectives set for the end of this century, we must continue to unswervingly carry out the principle of grasping the two civilizations simultaneously in accordance with the requirement of building socialism with Chinese characteristics. That means, while promoting material civilization, we must go all out to strengthen the building of socialist spiritual civilization.

In view of the current situation in Hebei Province, I wish to say a few things about strengthening the building of spiritual civilization. First, we must go all out to strengthen the building of spiritual civilization and persist in grasping the two civilizations simultaneously in order to meet the needs of reform and the development of the commodity economy.

There are at present two major tasks before us: reform and development. The goal of these tasks is to do away with poverty and become better off and to get rid of ignorance and become civilized. With the continuing development and advance of productive forces, we must persist in grasping the two civilizations simultaneously and allow them to develop harmoniously if we are to achieve the above goal. [passage omitted]

In developing economic construction, unless we carry out ideological and political work and pay attention to building spiritual civilization, it will be hard to make progress. Even though some progress may be made by exploiting certain favorable natural and other conditions, problems will arise. For instance, some localities are noted for their favorable economic conditions and high economic income, but the general social mood is far from satisfactory with frequent occurrences of such phenomena as feudal superstitions, theft, gambling, and violations of the law and discipline. In other words, even when people's subsistence needs are met, they are not necessarily aware of the distinction between honor and disgrace, and there are instances in which problems arise even after people have become affluent in food and clothing. Obviously, although the two civilizations are interdependent and affect each other, neither can replace the other. [passage omitted]

Second, in building socialist spiritual civilization, we must pay particular attention to changing people's thinking, raising their cultural and scientific level, and intensifying education in work ethics so as to provide an optimum social environment for carrying out reform and developing the commodity economy. [passage omitted]

In building socialist spiritual civilization, we should aim at assisting people in discarding old ideas and adopting new ones in line with the development of the commodity economy. To effect an extensive and intensive change in people's thinking, we should give them in-depth, meticulous, and incisive ideological education. This matter is now receiving increasing attention. [passage omitted]

We believe that it is necessary and worthwhile to speed some efforts and invest in educating cadres and the masses. Once their quality has been improved, they will play a more effective role for a long time to come. [passage omitted]

To develop a planned commodity economy based on public ownership, it is necessary to respect socialist work ethics. Socialist work ethics are based on the socialist political system. It demands that serving the people wholeheartedly be taken as a fundamental principle, that people's economic activities be compatible with the goal of economic development in their respective localities, and that moral codes accord with the requirements of the law. [passage omitted]

Third, I would like to say that in building spiritual civilization, we must respect the will of the masses, sum up the useful experience they have created, and mobilize all forces in society to participate in contributing effectively to promoting reform and developing the commodity economy. [passage omitted]

Building socialist spiritual civilization is a long-term strategic task and a realistic, typical, and dynamic process of development. It requires our unremitting efforts. As long as we persist in grasping the two civilizations simultaneously and combine material wealth with the Long March spirit and a down-to-earth work style, we will surely be able to achieve success in building spiritual civilization and to promote reform and the smooth development of the commodity economy.

NEI MONGGOL SECRETARY GIVES SPEECH AT RALLY

SK180229 Hohhot Nei Monggol Regional Service in Mandarin 2300 GMT 16 Sep 86

[Text] On the afternoon of 16 September, Zhang Shuguang, secretary of the regional party committee, gave a speech at a rally of teachers, students, and staff of some colleges and universities in Hohhot. He said: The key to grasping grass and livestock farm work so as to boost animal husbandry and transform the region's animal husbandry from a natural economy into a commodity economy lies in training a great number of competent personnel in management and technology. Without education, there would be no competent personnel. Paying attention to competent personnel, we must stress education.

In his speech, Comrade Zhang Shuguang presented an account of the region's excellent political and economic situation to the teachers and students, and announced the decision of the regional party committee to further implement the economic construction while diversifying the economy. He said: Animal husbandry is the basic way to make Nei Monggol prosperous, the foundation of the region's economy, and the thoroughfare which leads the peasants and herdsmen to prosperity. The economic construction policy to make forestry and animal husbandry the major undertakings while diversifying the economy, which the central party committee formulated in 1981, comprehensively reflects the Nei Monggol Autonomous Region's objective natural law and economic development law. Further implementing this policy has a vital bearing on Nei Monggol's economic and social development strategies. It is a policy of vital and lasting importance which will benefit future generations. Speaking in terms of both politics and economics, this policy is of major practical and profound historical significance. To further implement this policy, the regional party committee has adopted the following measures:

1. Giving different guidance to different economic areas.

2. Proceeding with the work of eliminating outdated ideology and ideas, making breakthroughs in developing township enterprises, strengthening lateral economic cooperation, and following the road of developing the processing industry to increase the value of products to transform animal husbandry from a natural economy into a commodity economy.

3. Developing production to promote social progress and make minority people rich.

4. Unifying thinking, working earnestly, and implementing the policy firmly.

Comrade Zhang Shuguang stressed: We should first rely on policies and second on science while implementing Nei Monggol's economic development strategy. In policies, the central authorities have already issued definite stipulations which are being implemented. In science and technology, the central authorities have also issued explicit directives which are also being put into practice. As far as Nei Monggol Region is concerned, the shortage in science, technology, and competent personnel is a major and key problem as everyone knows. What should we do to deal with this? Accelerating the training of competent personnel should be the most pressing task. Viewing our region's situation, our most difficult problem in the four modernizations drive is the shortage in natural resources. Despite our difficulties concerning funds, it is possible to solve them through our efforts. Therefore, the most difficult problem should be the shortage of competent personnel, especially scientific, technological, and managerial personnel. If we consider developing animal husbandry to be the gold key to making Nei Monggol rich, then, education should be considered for competent personnel to use this key. If we consider developing animal husbandry as a thoroughfare which leads the region to prosperity, then, education should be considered for persons to maintain the thoroughfare. Without education, there would be no competent personnel. Paying attention to competent personnel, we must also pay attention to education. Over the past few years, the entire party has begun to pay attention to the important status of educational work, and has adopted some specific and effective measures. However, I think we still lag far behind in this regard. The idea of showing no concern for education, in particular, has not been eliminated.

Comrade Zhang Shuguang stressed: Leaders at all levels, particularly party and government leaders, should realistically understand the status and role of competent personnel and education in the four modernizations drive, and genuinely create a civilized habit of respecting teachers and paying attention to education in society in line with the call of the central party committee and create a lively situation in which the entire party and society grasp education. In addition, we should renounce empty talk in favor of practical work and enable the region's educational undertakings to develop steadily and enable all levels and all kinds of schools to continuously train large numbers of competent personnel.

In his speech, Comrade Zhang Shuguang described several wishes concerning teachers, students, and the staffs of colleges and universities. He said: First of all, students should have ideals and ambitions and a firm and correct political orientation. They should conscientiously study Marxist theories focusing on the study of its world outlook and methodology, that is, what we often call the stand, view points, and methods. Such a study should be integrated with the great practice of building socialism, which we have been engaged in. In addition, it also should be integrated with the study of history. Second, we should stress knowledge from books, strive to study specialized subjects well, and master scientific and technological knowledge.

Furthermore, we should pay attention to practical knowledge, learn from workers, peasants and the masses, and raise working ability. In the four modernizations, we need knowledge and competent personnel. We also need comprehensive knowledge and competent personnel closely linked with the future of the motherland and the destiny of the broad masses of the workers, the peasants, and the people. As everyone knows, it will not do to have knowledge only from books or only from practice; this cannot be considered comprehensive knowledge. Without comprehensive knowledge, one can do nothing well and cannot become a competent person. Young people, especially young intellectuals, in addition to studying from books, should study from practice and from the masses.

Third, we should create perfect images of our time for college students through the building of the spiritual civilization. Young people are our future and hope of our country and people of two centuries. This historical status requires our college students to have the best moral character of our time, and to march at the frontline of society while building spiritual civilization. During the course of building spiritual civilization, college students should become people who have ideals, morality, education, and a sense of discipline. They should cherish the socialist motherland and cause and should foster the spirit of working hard and dedicating themselves to making the country strong and the people wealthy. They should unceasingly seek knowledge and should have the scientific spirit to seek truth from facts and think independently, and the courage to blaze new trails. Fundamentally speaking, the spirit of dedication and the scientific spirit require us to firmly foster the ideology of serving the people wholeheartedly, and to conscientiously learn the skills to serve the people.

Fourth, as far as our Nei Monggol college students are concerned, they should pay special attention to the study of Marxist theory on nationalities and the party's policy on nationalities. It is necessary to understand Nei Monggol's past, present, and future; to foster the ideology of cherishing Nei Monggol and dedicating oneself to Nei Monggol; and to master the skills suitable for Nei Monggol's economic and cultural development. It is also necessary to realize the history, the present situation, the habits, and the feelings of various nationalities in the region, and the long history of the friendly contacts among the working people of various nationalities, especially the revolutionary history of the people of various nationalities who worked in unity, fought bravely, and overthrew the three great mountains under the leadership of the Chinese Communist Party, and to foster the idea that all nationalities are indispensable to one another. I hope that all of you students will treasure your time, strive to study hard and improve yourselves through training, and strive to become pillars of society at an early date.

Comrade Zhang Shuguang said: Teachers are indispensable to training competent personnel. They are the engineers who mold human civilization, and the propagators and constructors of human civilization. The work of teachers determines, to a very great extent, the success and failure of our cause and the future of our country. It is hoped that the masses of teachers will ardently love and be dedicated to education, and foster the heroic spirit of sacrifice and the spirit of gardeners cultivating new seedlings. Meanwhile, they should have broad and profound knowledge, and be proficient in their specialities, knowing both the law governing education and the psychology of students. The development of the new present-day technologies of the world changes with each passing day, and the cycles for knowledge and technology renewal have been greatly shortened. This urgently calls on teachers to study diligently, and renew their knowledge continuously to enrich themselves and improve their teaching ability and standards.

Comrade Zhang Shuguang said: The most important responsibility of teachers is to educate the people, and to cultivate outstanding Red and expert personnel who have both political integrity and ability. This requires our teachers to educate students with lofty ideals, knowledge, discipline, and moral character, and to show concern for the growth of students. This also requires teachers to strengthen self-cultivation and pay attention to improving their ability in various fields and playing an exemplary role among students so that they can be worthy of the name of teacher, and to closely combine teaching with educating people. In this way, we will be able to train group after group of personnel qualified for the four modernizations.

Comrade Zhang Shuguang said. Education is an important aspect in developing intellectual resources. The fundamental task of our socialist education is to train the competent personnel at various levels and in various specialties needed in the four modernization drive. Therefore, education should be geared to the needs of socialist construction. In our autonomous region, it should first serve animal husbandry -- animal husbandry in a broad sense, of course. Meanwhile, we should also consider the needs of other undertakings. All institutes of higher learning should decide on their specialties, teaching content, scientific research projects, and competent personnel training targets based on this principle so as to provide new technologies, new research results, and more and better qualified personnel for animal husbandry development and the region's economic leap.

Teachers and students of some colleges and universities in Hohhot, and responsible comrades of some primary and middle schools, totaling more than 1,300, attended the rally.

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STUDENTS PROTEST AGAINST NAKASONE ATTENDING GAMES

HK190918 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 2315 GMT 17 Sep 86

[Report: "South Korean Students Protest Against Nakasone Attending the Opening Ceremony of the Asian Games"]

[Text] Seoul, 17 Sep (Hong Kong ZHONGGUO TONGXUN SHE) -- Five South Korean students with sharp knives in their hands rushed into the office of the Director of the Japanese Cultural Center in Seoul at noon today to protest against the intended attendance of Japanese Prime Minister Nakasone at the opening ceremony of the Asian Games. The director of the center happened to be out for lunch. A guest at the center fled at once and no injury or death was reported. The five students were arrested by the police on the spot.

Although three opposition parties made a joint appeal on 13 September calling on the students to stop activities against the authorities during the period of the Asian Games, student activities have been reported from time to time. After dark yesterday, the police searched at the same time 18 colleges in Seoul and 2 in Kwangju. Officials of 91 colleges in various localities also searched their respective colleges. Gasoline bombs, cudgels, and antigovernment leaflets were confiscated. After a 3 hour search in Seoul's Yon Se University, 60 molotov cocktails, 24 wooden clubs, 3 antigovernment placards, and 80 antigovernment leaflets were found. This action is regarded as a measure to prevent the students from holding antigovernment demonstrations after the Asian Games are opened.

Yesterday, some students threw incendiary bombs into policemen's pavilions and seriously wounded four antiriot policemen. The educational authorities have today ordered two colleges in Seoul to suspend classes, increasing to five the number of colleges whose classes have been suspended. Today, people can see that the atmosphere on college campuses and outside them is tense with numerous policemen there.

John Norden, an official of the California police who were also responsible for the security work of the 1984 Los Angeles Games, arrived in Seoul before the blast at Kimpo Airport. Because of the bomb case, he has postponed his return to the United States. He said that the professional level of the police of Seoul is very high and that despite the occurrence of the bomb case, the security work there has been better than that of the Olympic Games in Los Angeles.

XINHUA ANALYZES PLANS FOR SHEVARNADZE-SHULTZ MEETING

OW172211 Beijing XINHUA Domestic Service in Chinese 1619 GMT 17 Sep 86

[Text] Moscow, 17 Sep (XINHUA) -- News Analysis: A Rough Road Ahead for Soviet, U.S. Foreign Ministers

[By] XINHUA reporter Shen Yiming:

The rustling autumn wind has already driven away the summer heat on the streets in Moscow; however, the tense and heated diplomacy between Moscow and Washington remains. After more than 6 months of hard work, the meeting between the Soviet and the U.S. foreign ministers will soon be held in Washington. As the bell will soon toll for this preparatory meeting for the proposed Soviet-U.S. summit, people have shown keen interest in whether it will clear the way for a summit.

Soviet Foreign Minister Shevardnadze has already arrived in New York to attend the 41st UN General Assembly. On 19 September he will rush to Washington, where he is scheduled to meet U.S. Secretary of State Shultz.

The meeting between the Soviet and U.S. foreign ministers was originally to be held in Mid-May this year, but the U.S. air raid on Libya last April evoked strong reactions from the Soviet Union, which immediately announced the cancellation of the foreign ministers' meeting. Since then the Soviet leaders have repeatedly expressed a willingness to hold another summit meeting, and this willingness is shared by the American side. Therefore, it was decided that the foreign ministers of the two countries would meet in Washington on 19 and 20 September to discuss issues on which the two sides might reach agreement. However, on 23 August Washington suddenly arrested Zakharov, member of the Soviet UN mission, on a charge of "espionage activities." Then, on 30 August, Moscow detained Daniloff, reporter for the U.S. NEWS AND WORLD REPORT stationed in Moscow, on the same charge. The "spy incidents" intensified the atmosphere on the eve of the foreign ministers' meeting. Washington even threatened to take retaliatory measures, including cancellation of the foreign ministers' meeting if Daniloff was not set free. In a haste to reduce the heat, Moscow declared that the Daniloff case was merely a "secondary matter in general" in Soviet-American relations. It released Daniloff to the custody of the U.S. Embassy in Moscow. Hence, the atmosphere was somewhat relaxed, enabling the foreign ministers' meeting to take place on time.

Moscow regards the upcoming foreign ministers' meeting as an "important event," because through this contact it expects to explore the possibilities for the continuation of Soviet-U.S. summits. In other words, Moscow hopes that at this meeting it will be able to find out the extent to which agreements can be reached with Washington on such issues as arms control and regional disputes, thereby paving the way for a summit.

The prepare for the foreign ministers' meeting, Soviet and U.S. officials and experts have held frequent talks and consultations over the last 2 months. In late July Soviet and American officials held talks in Geneva on the SALT treaty and the issue of nuclear tests. Since August experts from the two countries have shuttled between Moscow and Washington to discuss arms control. At the same time Soviet and U.S. diplomats also held talks on issues of reducing the threat of nuclear war, solving regional disputes, and banning chemical weapons, as well as on bilateral exchange plans. What practical results have been achieved in this series of diplomatic shuttles and consultations, no outsider knows. But Moscow has declared that the two sides "have not moved even an inch closer" on the disarmament issue.

In a press interview 10 days before the foreign ministers' meeting Soviet leader Gorbachev made it clear to Washington that another Soviet-U.S. summit will be meaningless unless it allows some movement in one or two major issues regarding international security.

What did he mean by "one or two major issues regarding international security?" In a television speech on 18 August Gorbachev clearly indicated that at the Soviet-U.S. summit Moscow hopes to first reach an agreement on a nuclear test ban as the "primary practical results of the summit and an important step on the road toward disarmament."

Thus, it appears that the disarmament issue will be the central topic of the foreign ministers' meeting, and the discussions on the issue are inseparable with such concrete questions as a nuclear test ban and reductions in nuclear weapons.

Moscow regards a nuclear test ban as "the most important and pressing issue of our times," because Moscow has set its mind on aborting the vital component of the U.S. "star wars" plan, that is, nuclear tests for improving space laser weapons. Stopping nuclear tests is tantamount to "throwing up a formidable obstacle to the U.S. 'star wars' plan." Of course, Washington is clearly aware that without continuing nuclear tests it is impossible to develop a new generation of indispensable nuclear weapons for the "star wars" plan and thus gain military supremacy.

As for the issue of reducing nuclear arms, Moscow will also make no concession to its opponent on the "star wars" plan. The Soviet Union has somewhat lowered its guard on the U.S. "star wars" plan because research and experiments for this will be confined to the laboratory; however, the United States has indicated that although the timetable for deploying the "star wars" system may be postponed, Washington's determination to execute the plan remains unchanged. Therefore, the two countries have not made any concession at all on substantial issues.

In these circumstances it is still uncertain whether or not the date and agenda for a future summit will be set at the foreign ministers' meeting. Due to their own needs, the two countries have repeatedly expressed willingness to hold another summit. Observers here believe that at the meeting, the two countries are likely to make some concessions on issues regarding European security and disarmament and achieve some progress on bilateral exchanges in the fields of science and culture so as to pave the way for the proposed summit. A spokesman for the Soviet Foreign Ministry announced at a press conference yesterday that Shevardnadze will have "important meetings" in Washington other than the talks with Shultz, indicating that he is likely to meet with U.S. President Reagan. Whatever the results of his meetings, Soviet-U.S. relations may not develop smoothly or without twists and turns.

RENMIN RIBAO VIEWS U.S.-USSR NUCLEAR DIFFERENCES

HK180907 Beijing RENMIN RIBAO in Chinese 18 Sep 86 p 6

["Roundup" by Fang Min: "Problems Facing the Sixth Round of U.S.-Soviet Nuclear Talks"]

[Text] The sixth round of U.S.-Soviet talks on nuclear and space weapons is about to open in Geneva. This will be the third round to be held this year. Although the date for the talks was fixed some time ago, judging by the current state of U.S.-Soviet relations, this will be an important and also an extremely difficult round.

U.S.-Soviet relations are currently in a state of alternating relaxation and tension and dialogue and struggle. Officials of the two sides have held frequent meetings recently for the purpose of preparing for their forthcoming foreign ministerial meeting and also to pave the way for their second summit meeting. During these consultations, arms control has become an outstanding topic. It has been evident that the United States and the Soviet Union have changed their methods of handling the disarmament problem this year; the disarmament proposals put forward by the two sides show certain concessions in a bid to reach some kind of compromise. However, the two sides have not yet made much progress, and disputes continue on certain issues. Reviewing the several trials of strength staged by the United States and the Soviet Union over disarmament in the previous period, we find that these disputes are mainly manifest on the following issues: how to deal with strategic defense systems; whether or not to continue adhering to the SALT II treaty which both sides have signed but have not yet ratified; whether or not to jointly ban nuclear tests; and how to reduce the nuclear arsenals of the two sides, and so on. [paragraph continues]

Hence, despite the fact that prior to this round of talks experts from both countries (apparently all of these are participants in the Geneva talks) have held repeated consultations, they have not been able to narrow the differences, and the positions of the two sides remain far apart.

Judging by the contents of letters exchanged between the U.S. and Soviet leaders, the new Soviet disarmament proposal put forward in June, and the counterproposals being drafted by the United States, the atmosphere for the sixth round of nuclear disarmament talks is far from relaxed. First of all, space weapons remain the crux of the dispute between the two sides. Although the Soviet Union recently showed itself a bit more flexible regarding the U.S. strategic defense scheme (that is, the "star wars scheme"), by declaring that the United States can work in the "star wars" field at the level of laboratory research, and refrained from demanding again that the United States totally abandon research for this scheme, while the United States for its part said that deployment of the defense system could be postponed, the dispute between the two sides over this point has by no means died down. The Soviet Union continues to maintain that the U.S. aim in pursuing the "star wars" scheme is to gain nuclear superiority, and hence it has demanded that the United States not withdraw from the "antimissile missile limitation treaty" for at least 15 years, in a bid to limit U.S. moves and make it impossible for the United States to develop space weapons during this period. However, the United States has emphasized that it hopes to build a still more secure foundation for deterrence by means of developing the defense system; it has decided to continue to carry out the scheme and is not willing to be bound by the Soviet demand. It is evident that this argument is in essence a struggle between limitation and opposition to limitation.

Second, there are still considerable differences between the disarmament plans of the two sides. The Soviet nuclear disarmament proposal put forward in June showed some changes compared with the one put forward in January. Regarding the scope of reduction of strategic nuclear weapons, the Soviet Union is now only mentioning "three in one" strategic weapons (that is, intercontinental ballistic missiles, submarine missiles, and long-range bombers), and does not count U.S. weapons deployed in Europe, which are capable of hitting the Soviet Union, as strategic weapons. This accords with U.S. thinking. Regarding the range of reduction, the Soviet Union's new plan has lowered the number of weapons to be reduced, that is, it limits the number of strategic weapons that the 2 sides can possess to 1,600 and warheads to 8,000. According to reports, the new plan now being drafted by the United States also proposed some relaxations regarding limits, to narrow the differences between this plan and the Soviet plan. This means that although there are differences in the reduction limits proposed by the two new plans, these differences could not be considered too great. However, the main difference is over how to implement this reduction limit. It is precisely on this point that the two sides have very different visions. The United States stresses that the great threat comes from ballistic missiles, especially land-based intercontinental ballistic missiles, and so it wants to restrict as far as possible the number of such missiles and their warheads, in which the Soviet Union holds superiority. Contrary to the United States, the Soviet Union stresses putting into effect an "equal level" reduction of strategic weapons of all categories possessed by the two sides, so that it will be able to have as many land-based missiles and their warheads as possible while restricting submarine and cruise missiles, in which the United States enjoys superiority. As for medium-range ballistic missiles, the difference between the two sides is over Soviet missiles of this type deployed in Asia. [paragraph continues]

The Soviet Union has proposed freezing the number of medium-range ballistic missiles in Asia at the current level, neither increasing nor reducing it, whereas the United States proposes that the missiles in Asia should be included in the reduction, to facilitate the ultimate elimination of all medium-range ballistic missiles. In addition, the nuclear test issue remains an obstacle in the talks. Although this issue is not on the agenda for this round of talks, it has also been a point in dispute between the two sides and has affected U.S.-Soviet progress in arms control. Over the past year or more, the Soviet Union has repeatedly demanded that the two sides jointly ban nuclear testing, and the two sides recently held a meeting of experts on this topic. Each side had their say, and the meeting broke up in discord. The Soviet Union charged that the United States would not halt its nuclear tests because it wanted to continue improving its nuclear weapons and to test "star wars" laser weapons, in a bid to gain nuclear superiority; and the United States for its part said that the Soviet Union has carried out most of the nuclear tests it needs, and it was unacceptable to conversely bind the United States. It seems that disputes like this will be hard to avoid in the talks.

U.S.-Soviet differences over nuclear disarmament have existed for a long time, hence, no matter what the two sides may say, fierce bargaining will permeate this round of talks. The Geneva talks represent a formal occasion in the talks between the United States and the Soviet Union, and what happens there will not only have a direct impact on U.S.-Soviet relations and a second U.S.-Soviet summit, but will also become the focus of world attention, because of the global impact. The Soviet Union has repeatedly declared that a summit meeting "should produce practical results," and it insists that "concrete progress" must be made in arms control talks before such a summit. Although the United States, for its part, has urged the Soviet Union to set a date for the second summit this year, and recently specifically proposed that the meeting would best be held between the mid-term U.S. elections on 4 November and Christmas, the Soviet Union has yet to make its attitude explicit. These conditions show that it remains hard to ascertain whether the two sides will be able to reach a compromise in the near future regarding the knotty problems facing this round of talks, so as to reach some kinds of limited agreement.

RENMIN RIBAO ON STEALTH AIRCRAFT, 'SPACE MINES'

HK181348 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 17 Sep 86 p 6

[Article by Liu Ban: "Stealth Aircraft, Outer Space Mines, and Others"]

[Text] It has recently been reported in newspapers that the United States and the Soviet Union have respectively developed "stealth aircraft" and "outer space mines." This marks from another angle an upgrading of the scramble between the United States and the Soviet Union for strategic superiority.

The "stealth aircraft" is made of new-type compound materials in a special shape. it can absorb radar waves and evade discovery by infrared detectors and is therefore "invisible." According to the United States, 50 of these planes are already "war usable." A U.S. strategist said triumphantly: This airplane will "surely put the Soviets in a panic because it can make useless the air defense system that has cost them hundreds of billions of roubles to establish."

Since President Reagan's announcement on the "strategic defense initiative," in other words, the "space war" scheme, the Soviet Union has always thought about how to break it up. Not long ago, a Soviet nuclear scientist, who is said to be a member of the "Struggle for Peace Committee," declared that the Soviet Union would deploy "outer space mines," which would "dash directly against satellites in orbit" or "explode to destroy communications satellites in orbit." In short, this is aimed at "turning into scraps the U.S. space war plan, which cost the United States lots of money."

Both weapons are aimed at destroying the defense system that the other side has spent huge sums of money to establish. But there is a little difference in their methods. Some U.S. strategists hold that over the past few years, as strategic defense systems have continued to improve, the "first strike" has become difficult to achieve; therefore, it is necessary to focus on developing a new offensive "nuclear spear" to break the other side's "nuclear shield". "Stealth aircraft" are children of this idea. The Soviet Union, however, focuses on the "economic results" and thinks that the "system to counter anti-missile systems" is the greatest saving and most effective. Therefore, they reached the idea of "outer space mines."

In the final analysis, the arms race is a race of national strength. Although Soviet national strength is inferior to the that of the United States, it will not allow the United States to get the least superiority in the arms race. Soviet scientists have time and again stressed that it is possible to find "much cheaper" "countermeasures" to fight the "space war" plan. This shows that Soviet determination to compete with the United States cannot be swerved. A U.S. strategic analyst says even more frankly in his recently published book: "The United States and the Soviet Union have both found that if they do not try every means to maintain a certain degree of balance of strength with each other, they will not be able to achieve their goal." Therefore, people will certainly be surprised when other kinds of new weapons emerge one after another after the emergence of the "stealth aircraft" and the "outer space mine."

WU XUEQIAN MEETS TANZANIAN, ZAMBIAN MINISTERS AT UN

OW181248 Beijing XINHUA in English 1223 GMT 18 Sep 86

[Text] United Nations, September 17 (XINHUA) — While continuing to provide aid to African countries within its capability, China is also looking forward to exploring new methods of economic and technological cooperation and new forms of aid including joint ventures with African countries, Chinese Foreign Minister Wu Xueqian stated here today. Wu, who is also a Chinese state councillor, outlined the Chinese position during meetings with Tanzanian Foreign Minister Benjamin Mkapa and Zambian Foreign Minister Luke Mwananshiku at the United Nations headquarters.

It is China's consistent policy to stand by the African countries in their struggles against the South African racist regime and its apartheid policy, Wu said, adding that with the development of its domestic economic reforms, China will give enhanced assistance to other countries, especially African countries.

Foreign Minister Mkapa expressed his satisfaction with the development of Sino-Tanzania relations and the cooperation between the two countries in various areas.

Mkapa pointed out that China's assistance to Tanzania and other African countries benefits not only the economic development of the African countries but also their political independence. He thanked China for extending political support to the African Frontline States in their struggles against the South African racist regime.

The Chinese foreign minister also briefed Mkapa on the situation in Kampuchea and on China's position on the Kampuchean issue.

Mkapa said that the eight-point proposal put forward by the Kampuchean Coalition Government "has provided a positive basis and new momentum" for the settlement of the Kampuchean question.

The situation in southern Africa was also a major topic in the talks between Wu and Zambian Foreign Minister Luke Mwananshiku here this afternoon. Subversion and expansion by South Africa into its neighbouring states have put the security of these countries at stake, said Mwananshiku, pointing out that the economic development, especially of the export industry in these countries, are seriously damaged by anti-government forces which, supported by South Africa and some Western countries, cut off transportation lines by destroying roads and bridges.

Wu affirmed that China is strongly opposed to South Africa's so-called "linkage formula" which attempts to link the independence of Namibia with the withdrawal of Cuban troops from Angola. China will stand firm in supporting the peoples of South Africa to fight against apartheid, said Wu, hoping that the Frontline States will strengthen their unity. Wu also exchanged views with his two African counterparts on the major issues facing the current U.N. General Assembly session.

Perez de Cuellar Fetes Wu

OW190738 Beijing XINHUA in English 0731 GMT 19 Sep 86

[Text] United Nations, September 18 (XINHUA) -- United Nations Secretary-General Javier Perez de Cuellar said today that Hanoi must be urged to present a definite timetable for the withdrawal of Vietnamese troops from Kampuchea.

At a luncheon he held in honor of the Chinese Foreign Minister Wu Xueqian, the secretary-general said that as Vietnam has agreed only to conditional troop withdrawal, further steps must be taken.

Wu called Western press reports about China's sale of arms to Iran a groundless fabrication. "China's position on the war between Iran and Iraq is consistent," he said. "We hope that Iran and Iraq will find an early settlement through negotiations on terms acceptable to both sides." Wu said China supported Perez de Cuellar's bid for a second term of office and reinvited him to visit China next year, a trip the U.N. chief put off because of heart surgery early this year. They also discussed the current U.N. financial crisis.

CPSU POLITBURO ASSESSES TALYZIN VISIT TO PRC

OW190705 Beijing XINHUA in English 0656 GMT 19 Sep 86

["Soviet Politburo To Further Sino-Soviet Relation" -- XINHUA headline]

[Text] Moscow, September 18 (XINHUA) -- The increasing contacts between the Soviet Union and China have contributed to bilateral cooperation in various spheres, the Soviet Politburo said today.

TASS reported that in a regular meeting to assess the recent visit to China by First Vice-Premier Nikolay Talyzin, the Politburo said the Soviet Union will explore new and effective ways to strengthen this mutually beneficial cooperation.

The Politburo also promised to do all it can to improve and strengthen the "good neighborliness" between the countries as such a relationship will benefit the causes of peace and socialism. Talyzin was in China from September 7 to 14.

WEN WEI PO VIEWS SINO-SOVIET RELATIONS

HK190354 Hong Kong WEN WEI PO in Chinese 19 Sep 86 p 2

[Editorial: "First Solve the Problem of Vietnam's Aggression Against Cambodia"]

[Text] While meeting with Finnish Prime Minister Sorsa on 16 September, Deng Xiaoping, chairman of the Central Advisory Commission of the CPC, said that of the three major obstacles to Sino-Soviet relations to be eliminated, the most important one is to solve the problem of Vietnam's aggression against Cambodia. As is known to all, the other two major obstacles are the massive number of Soviet troops stationed in Mongolia near China's border areas and the Soviet troops' occupation of Afghanistan.

Formerly the three major obstacles were put forward side by side, but at present one of them has been stressed. This shows the flexibility of China's foreign policy toward the Soviet Union. In a certain sense, this is also a substantive reaction to Soviet leader Gorbachev's speech in Vladivostok.

Deng Xiaoping said: "We stress the necessity of solving the problem of Vietnam's aggression against Cambodia because it is, in reality, a hot spot in Sino-Soviet relations." He also said: "If the Soviet Union can eliminate this hot spot, it will be doing good to both itself and Vietnam and making a contribution to peace in the Asian-Pacific region and in the rest of the world." In another interview with a reporter, he also said that if the Soviet Union agrees, he, even though he is 83-years-old and is well advanced in years, would still be willing to make a long and arduous journey to the Soviet Union to meet Gorbachev. For the sake of peace, he will ignore the hardship.

If we calmly and carefully think of what Deng Xiaoping said, we can say that this is not put forward as diplomatic language proceeding from China's interests but is indeed a practical proposal beneficial to the Soviet Union, Vietnam, and Southeast Asia.

Vietnam has cracked itself up as one of the world's military powers and thus can do whatever it pleases. Is this really the reason for Vietnam's aggression against Cambodia? As a matter of fact, if the Hanoi regime were not propped up by the Soviet Union, it would be precarious even within Vietnam, and much less could it act violently abroad. The sufferings of the Vietnamese in recent years are demonstrated by the fact that hundreds of "boat people" have fled by sea risking their lives. However, Le Duan and his like have paid no attention to the welfare of the people. They have wantonly engaged themselves in military aggression, invaded into Cambodia, and peeped at Thailand. Their ambition is irremediable. Had China not resolutely punished their unbridled acts a few years ago, we wonder what the situation in Southeast Asia would have become today. Now Le Duan is dead. If the Soviet Union takes this opportunity to stop Vietnam's aggression against Cambodia, it will save millions upon millions of U.S. dollars for running the war machine which is outwardly strong but inwardly weak. It will improve its image in the eyes of the world's people and will win victories in peaceful and not military fields. Consequently, as far as Vietnam is concerned, it will also be able to consolidate its economy and improve the people's living standard so they will have enough to eat and wear. Through concrete actions, it can also gradually turn itself into a country acceptable to the international community, and to the Southeast Asian countries in particular. All this is greatly beneficial to the two countries, a small one in the south and a big one in the north.

The Sino-Soviet relations, particularly in the economic field, have improved to a certain extent on the basis of the five principles of peaceful coexistence in recent years. If the problem of Vietnam's aggression against Cambodia is solved, and Deng Xiaoping personally visits Moscow for talks, the relations between the two countries will certainly improve and this will be beneficial to the peace in Asia and in the rest of the world.

Compared with the past, the Soviet Union, with Gorbachev as its representative, is indeed changing its previous rigid style of ignoring objective facts and always considering itself to be in the right. Vietnam's aggression against Cambodia was brought about by Moscow's previous leaders. New Soviet leaders should have a correct evaluation of its advantages and disadvantages and solve this problem without restraint. People are waiting for a wise response from Gorbachev, one of the new generation of Soviet politicians.

ACADEMIC DELEGATION RETURNS FROM USSR 15 SEP

OW180812 Beijing in Russian to the USSR 1800 GMT 16 Sep 86

[Text] A delegation of the PRC Institute of Contemporary International Relations headed by (Liu Xueqing), director of the institute, returned home from Moscow on 15 September after a 13-day visit to the Soviet Union at the invitation of the USSR Academy of Sciences' Institute of the United States of America and Canada.

During the visit, the PRC and USSR colleagues exchanged views on topical world economic and political issues. (Liu Xueqing) gave a lecture on PRC foreign policy and economic reform in recent years. The PRC delegation visited Leningrad, Tallinn, and Kiev.

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PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

D 1

PRC PARTICIPATES IN 10TH ASIAN GAMES

Team Leader Arrives

OW180712 Beijing XINHUA in English 0636 GMT 18 Sep 86

[Text] Seoul, September 18 (XINHUA) -- Yuan Weimin, head of the 515-member Chinese sports delegation to the tenth Asian Games, flew in here this morning with a third group of 136.

Yuan, 47, is generally regarded as the major force behind the Chinese women's volleyball team's efforts to wrest the World Cup crown in 1981 and the World Championships title in 1982 and then successfully retain both in 1985 and 1986 respectively.

Arriving aboard the chartered plane also are the Chinese women's volleyball team who had just returned from the world championship in Czechoslovakia, as well as the Thomas and Ueber Cup winning badminton team, women's basketball team, men's volleyball team, athletes, archers and wrestlers, totalling 104.

The group also includes a 15-member delegation headed by Zhang Baifa from the Organizing Committee of the 11th Asian Games.

They were greeted at the Kimpo Airport by representatives of the Seoul Asian Games Organizing committee.

After going through the airport entry procedures, they drove to the athletes village under heavy security escort.

The fourth and last group of Chinese athletes is scheduled to come later this month, after the games competition proper begins.

Official Meets Zhang Baifa

OW181318 Beijing XINHUA in English 1248 GMT 18 Sep 86

[Text] Seoul, September 18 (XINHUA) -- Pak Se-chik, president of the Organizing Committee of the 10th Asian Games in Seoul, met with Zhang Baifa, vice president of the Organizing Committee of the 11th Asian Games and vice mayor of Beijing, here this afternoon.

Zhang Baifa is the head of a group of 15 people from the Beijing organizing committee of the next Asian games and will accept the flag of the Asian Games from the organizer of the Seoul games.

YAN JICI MEETS DPRK SCIENTIFIC DELEGATION

OW181228 Beijing XINHUA in English 1216 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- Vice-Chairman of the Chinese National People's Congress Standing Committee Yan Jici met Yi Cha-pang, chairman of the State Scientific and Technical Commission of the Democratic People's Republic of Korea, and his party here today. They had a cordial and friendly talk.

WAN LI COMMENTS AT NEW ZEALAND RESEARCH STATION

OW181742 Beijing XINHUA in English 1531 GMT 18 Sep 86

[Text] Auckland, September 18 (XINHUA) -- Sino-New Zealand friendly cooperation in agricultural development will be further strengthened in the future, said visiting Chinese Vice-Premier Wan Li this afternoon while visiting the Whatawhata Hill Country Research Station in Hamilton.

Wan made the remarks in a conversation with Peter Rattray, director of the station.

Wan Li said New Zealand's experience in agriculture is good and applicable to many areas in China. The Whatawhata Research Station, located 26 kilometers from Hamilton City, carries out experimental sheep and cattle farming on 810 hectares of undulating to steep hill country. The task of the station is to improve the productivity and profitability of hill country farming on the North Island.

Hamilton, capital of the Waikato Province in the central part of the North Island, is the country's largest provincial center and fifth largest city.

ZHAO ZIYANG MEETS THAI DEPUTY PRIME MINISTER

OW181308 Beijing XINHUA in English 1300 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- Chinese Premier Zhao Ziyang today expressed satisfaction with achievements of the Sino-Thai economic cooperation and technical exchanges. "There are many fields and a great potential for cooperation between the two countries," he added.

The premier made these remarks at a meeting with Chatchai Chunhawan, Thai deputy prime minister and president of the Thailand-China Friendship Association, here this afternoon.

He welcomed entrepreneurs and businessmen from Thailand and other countries to invest in China, adding that the Chinese Government would adopt new policies and measures for its coastal areas to better the environment for investment there. He said that China should study good experiences of Thailand and many other Asian-Pacific countries in economic development.

Chatchai told the host that the Thai Government and himself would work for strengthened and diversified cooperation between the two countries. He conveyed greetings from Thai Prime Minister Prem Tinsulanon to the Chinese premier.

Zhao praised Chatchai for his contributions to the Sino-Thai friendship and also asked him to give his best regards to the Thai prime minister.

Wang Zhen, vice-chairman of the Chinese Communist Party Central Advisory Commission, was present at the meeting. The Thai deputy prime minister gave a return banquet here this evening.

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PRC INTERNATIONAL AFFAIRS
SOUTHEAST ASIA & PACIFIC

PENG CHONG MEETS FORMER PHILIPPINE SPEAKER

OW190826 Beijing XINHUA in English 0804 GMT 19 Sep 86

[Text] Beijing, September 19 (XINHUA) -- Peng Chong, vice-chairman of the Chinese National People's Congress Standing Committee, met J.B. Laurel, Junior, former speaker of the Philippines and chairman of the Nationalist Party, and his entourage here today. Philippine Ambassador to China Alfonso T. Yuchengco was present.

The Philippine visitors arrived here September 16 at the invitation of the Chinese People's Institute of Foreign Affairs.

On September 17, Chinese Vice-Foreign Minister Liu Shuqing met the visitors and president of the host institute Han Nianlong met and gave a banquet for them.

HSIN WAN PAO VIEWS AQUINO VISIT TO U.S.

HK170545 Hong Kong HSIN WAN PAO in Chinese 16 Sep 86 p 1

["New Talk" Column: "Corazon Visits the United States To Discuss Two Things"]

[Text] Female President of the Philippines Corazon Aquino arrived in Washington by air yesterday at the start of her 9-day visit to the United States.

This is her second trip abroad in the 7 months since she assumed office. her first trip abroad to visit Indonesia and Singapore showed the importance she attached to unity within ASEAN countries.

On the eve of her departure for the United States, rumors made the rounds in Manila. Many people predicted that there would be a military coup during her stay in the United States. The farewell ceremony at the airport yesterday with Minister of National Defense Enrile and Armed Forces Chief Ramos specially accompanying here in reviewing an honor guard of the three services seemed to be a posture intended to dispel rumors.

The Philippines that Corazon Aquino took over from former President Marcos was in a shambles. Despite her efforts made in many fields in the past 7 months, conditions have all along not fundamentally turned for the better because of a proliferation of contradictions in the country and an economic downturn.

Now concerning her at home are two major issues. One is economic plight and the other is armed struggle. How to turn things around in these two respects is really no simple matter.

To prepare for her U.S. visit, she personally held talks with two anti-government armed forces in the country. She first went to meet with the leader of the Moro people and then talked with the Philippine communist leader.

What the Philippine military has laid emphasis on is the latter. Despite conflicts between the Army and the Moros, it is a racial matter. On the other hand, the fighting with the Philippine communists is also an ideological problem. For this reason, Minister of National Defense Enrile once expressed dissatisfaction with Corazon's action. This explained the rumors about the military being unstable.

But it was also pointed out that Enrile and Ramos had actually been influenced by the United States to finally come over to the side of Corazon Aquino in the ousting of Marcos. Therefore, during Aquino's U.S. visit, two military leaders with this background are unlikely to step on the road to overthrow the government. Ramos also said the military would be put on full alert to prevent a possible coup.

Corazon's main job on her U.S. visit is to introduce the working conditions of the new Philippine Government and to appeal to U.S. businessmen to increase investment in the Philippines. Just before she left Manila, she said she would make the U.S. Government and people understand that the Philippines is as important to them as to the Filipinos themselves. She hoped that there would be more economic support.

In this respect, the United States will not, of course, disappoint her. But the amount of money that can be provided in loans and investments is difficult to judge. Moreover, given the U.S. bases in the Philippines -- such as Subic Bay Naval Base and Clark Air Base -- under the threat of the Philippine communist armed forces, the attitude that Corazon Aquino assumed in her talks with the Philippine communist will also be included in her talks with the United States.

Therefore, some people estimate that after returning from the United States with a loan, Corazon Aquino, out of consideration for U.S. interests and for the military strength at home, will strengthen her position in bargaining with the Philippine communists and even go to the length of using force where diplomacy fails. Thus, her stable position in the Cabinet will be more or less strengthened.

PENG CHONG MEETS BURMESE INFORMATION DELEGATION

OW181758 Beijing XINHUA in English 1605 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- Peng Chong, vice-chairman of the Standing Committee of the National People's Congress, met a delegation from Burma led by the leader U Taik Soe, deputy minister of information.

Burmese guests arrived in Beijing yesterday evening. They visited Ai Zhisheng, minister of radio, film, and television this morning.

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FINLAND'S SORSA HOLDS TALKS, FETED IN SHENZHEN

OW181743 Beijing XINHUA in English 1644 GMT 18 Sep 86

[Text] Shenzhen, September 8 (XINHUA) -- Visiting Finnish Prime Minister Kalevi Sorsa and Mrs. Sorsa were honored at a banquet given by the Governments of Guangdong Province and Shenzhen City, here this evening.

Earlier today, Vice Mayor of Shenzhen Zhang Hongyi briefed Sorsa and the accompanying Finnish businessmen on the city's economic development.

According to Zhang, Shenzhen has now signed agreements with foreign firms on some 4,700 joint-venture projects, with a total investment of over one billion U.S. dollars. Zhang expressed the hope that Finnish entrepreneurs would also come to invest in his city.

Sorsa, Mrs. Sorsa and other Finnish visitors were invited by Minister of Justice Zou Yu, chairman of the Chinese Government Reception Committee, to a party at a local hotel celebrating the traditional mid-autumn festival.

HU QILI MEETS FRENCH SOCIALIST DELEGATION

OW181754 Beijing XINHUA in English 1529 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- Hu Qili, member of the Political Bureau of the Chinese Communist Party Central Committee and of its Secretariat, met a delegation of the French Socialist Party led by Louis Lepensec, secretary of international relations, here today.

ZHANG AIPING ARRIVES IN BRITAIN FOR 1-WEEK VISIT

OW181549 Beijing XINHUA in English 1542 GMT 18 Sep 86

[Text] London, September 18 (XINHUA) -- Chinese Minister of Defense Zhang Aiping, arrived today for a week-long visit to Britain. He was met at London's Heathrow Airport by Lord Trefgarne, British minister of state for defence procurement. Zhang will call on Sir Geoffrey Howe, British secretary of state for foreign and commonwealth affairs.

The visiting Chinese minister will also meet Prime Minister Margaret Thatcher next Monday.

During his stay, he is scheduled to have a series of tours of British military units, training institutions as well as some defense-related enterprises. This is the first visit to Britain by a Chinese defense minister. In 1981, then British Defense Secretary Francis Pym visited China.

HUNGARIAN ECONOMIC DELEGATION CONTINUES VISIT

Feted by Liu Yi

OW131626 Beijing XINHUA in English 1450 GMT 13 Sep 86

[Text] Beijing, September 13 (XINHUA) -- Chinese Minister of Commerce Liu Yi gave a banquet for a Hungarian delegation led by Minister of Finance Istvan Hetenyi here tonight.

The delegation is here for attending the second meeting of the Committee on Economic, Trade, Scientific and Technological Cooperation between China and Hungary.

Making a toast at the Banquet, Liu, who is also chairman of the Chinese side of the cooperation committee, said that besides exchange of traditional commodities between the two countries, relevant ministries and commissions of the two countries have over the last two years made contacts and entered cooperation.

The two sides have also tried flexible trade and achieved some concrete results, he added. Istvan Hetenyi said that Hungary will work hard to expand the bilateral economic ties.

Cooperation Meeting Opens

OW150922 Beijing XINHUA in English 0912 GMT 15 Sep 86

[Text] Beijing, September 15 (XINHUA) -- The second meeting of the Economic, Trade, Scientific and Technological Cooperation Committee between China and Hungary opened here today. Liu Yi, chairman of the Chinese side of the committee and minister of commerce, and Istvan Hetenyi, chairman of the Hungarian side of the committee and minister of finance, spoke at the meeting.

They expressed satisfaction over the expansion of economic, trade and scientific and technological cooperation between the two countries since the first meeting of the committee was held June last year in Budapest. Last year the trade volume between the two countries reached 656 million SF, 1.7 times more than the previous year. This year is expected to see a 14 percent increase over 1985, totalling 747 million SF.

During the meeting the two sides also exchanged views on resolving problems in the bilateral economic and trade relations in the spirit of goodwill and consultation. They expressed hope for expanding the two countries' economic and technological cooperation in the principle of mutual benefit.

PEACE DELEGATION CONCLUDES VISIT TO HUNGARY

OW181752 Beijing XINHUA in English 1527 GMT 18 Sep 86

[Text] Budapest, September 18 (XINHUA) -- A delegation of the Chinese People's Association for Peace and Disarmament ended a ten-day visit here today.

The delegation, headed by Chairman of the Chinese Catholic Patriotic Association Bishop Zong Huaide, is the first of its kind to visit Hungary in more than two decades.

During its visit, the Chinese delegation held talks with the Hungarian Peace Council to exchange views on peace and disarmament. It also visited factories, farms, scientific research institutes and churches.

Barabas Miklos, general secretary of the Hungarian Peace Council, told reporters that the visit marked a new page in the Hungarian-Chinese relations.

HUNGARIAN COMPANY TO HIRE 350 CHINESE WORKERS

HK100719 Beijing JINGJI CANKAO in Chinese 5 Sep 86 p 1

[Report: "Hungary To Employ Chinese Workers"]

[Text] According to reports from foreign news agencies, Hungary's Raba Company, a large modern car engineering company, will hire 350 Chinese workers to help fulfill the task of manufacturing 12,000 heavy-duty trucks for China in the next 5 years.

Informed sources said that the company would set up a special organ for these workers, who would be assigned to workshops of engines, car spare parts, and assembly.

It is said that the company in Gyor employs 1,000 Polish workers and plans to hire workers from neighboring Burgenland Province of Austria. It is noted that many Chinese work in the capacity of advisers in a number of countries, but this is the first time that Chinese workers will be hired in Europe.

POLISH POLICY FOR DEALING WITH OPPOSITION EXAMINED

OW181935 Beijing XINHUA in English 1857 GMT 18 Sep 86

["News Analysis: Poland's Stick and Carrot Policy in Dealing With Underground Opposition" — XINHUA headline]

[Text] Warsaw, September 18 (XINHUA) — The Polish authorities had by Monday released all the 225 political prisoners charged with offences against the state and public order.

Among the released were former Solidarity leader Zbigniew Bujak, Wladyslaw Frasyniuk and Leszek Moczulsky.

Meanwhile, Polish police made a cross-country search on September 11. During the operation they unearthed 281 underground groups and institutions, seized a lot of "illegal publications" and "equipment for secret activities," and had warning talks with more than 3,000 people. As a result, "thousands of people became willing to surrender to the government and stop activities against the state."

The two major moves taken by the Polish Government in dealing with the "underground opposition factions" have been widely supported by the Polish people.

The labor unrest in Poland in the summer of 1980 led to turbulences and serious economic difficulties in the country. Some "anti-government forces," including anti-socialist elements, took advantage of the rise of the Solidarity Labor Union to conduct anti-government activities.

The activities weakened in 1981 when martial law was enforced in the country and the Solidarity union was banned. But some people secretly continued such activities in the name of Solidarity or some other names.

To stop such activities, the Polish authorities followed a carrot and stick policy by granting amnesty to some people jailed for engaging in underground activities while cracking down on the illegal activities of underground organizations. Some well-known leaders of underground organizations had been arrested time and again.

The government had set free 186 non-criminal offenders by December 9, 1985. The Polish Sejm (parliament) passed a special trial law on July 17 this year, under which more than 13,000 prisoners had been released by September 8. Meanwhile, 148 people pleaded guilty to anti-state and disruption of public order offences and surrendered themselves to the government, because under the new law, such offenders will not be prosecuted if they surrender before the end of this year. However, those people, including some former Solidarity leaders, whose cases were investigated by the military, were not covered by the amnesty.

A week ago, in a response to a motion of the National Council of Patriotic Movement of National Rebirth, Polish Interior Minister Czeslaw Kiszcak proposed to the public prosecutor-general that all prisoners charged with anti-state activities and disruption of public order be released by September 15. Prosecutor-General Jozef Zyto held that the decision indicated an improvement of the country's public order, normalization of its social and economic life, people's sense of safety, and consolidation of the role of law.

The proposal won the support of all circles. Jan Dobraczynski, chairman of the National Council of Patriotic Movement of National Rebirth, said that national consultation would become a reality only after all political prisoners in the country were released. The Polish Catholic episcopate press office declared in a statement that the episcopate was satisfied with the proposal, which it said would open a prospect for Poland to extricate itself from difficulties.

Polish leader Wojciech Jaruzelski said yesterday that a new phase was emerging in the process of national understanding. He called on his countrymen to work hard for their own happiness and the country's bright future.

POLAND'S GWAIZDA URGES ECONOMIC COOPERATION

OW181800 Beijing XINHUA in English 1618 GMT 18 Sep 86

[Text] Warsaw, September 18 (XINHUA) -- The Polish Foreign Trade Committee has called for new economic cooperation with China, reported the Polish official newspaper TRYBUNA LUDU. In a meeting held yesterday, the Polish Vice Premier Wladyslaw Gwiazda stressed the importance of importing technologically advanced machines and equipment from China. One of the suggestions put forward at the meeting was to build joint enterprises to expand economic cooperation with China. It was estimated at the meeting that the exchange of goods between the two countries this year will reach 937 million U.S. dollars.

HU YAOBANG MEETS SOUTH AFRICAN COMMUNIST LEADER

OW181434 Beijing XINHUA in English 1428 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- General Secretary Hu Yaobang of the Chinese Communist Party Central Committee, met here today a delegation from the South African Communist Party led by Chairman Joe Slovo.

Hu exchanged views with Slovo on the South African situation and other questions of mutual interest.

Briefing the visitors on the history of the Chinese Communist Party, Hu said that in formulating domestic and foreign policies, communists should consider whether these policies would be understood and accepted by the people and win their sympathy.

Slovo, who has visited Yanan, Xian and Shanghai after arriving in China on September 8, told Hu that the will and courage shown by the Chinese people in struggling for liberation and building their country had left a deep impression on members of his delegation. Hu hosted a dinner for the South African visitors after the meeting.

PRC-BUILT HARBOR COMPLETED IN MAURITANIA

OW181222 Beijing XINHUA in English 1139 GMT 18 Sep 86

[Text] Nouakchott, September 18 (XINHUA) -- A huge Chinese-built harbor capable of handling 500,000 tonnes of cargo a year has been constructed off a surf-and-sandstorm-battered coast of the northwest African state of Mauritania.

The harbor, called "Friendship Port," is the most ambitious African aid project undertaken by China in Africa since Chinese involvement in the building of Tanzania-Zambian railway.

The man-made deepwater port, situated 15 kilometers from the capital of Nouakchott, was selected, designed and constructed by Chinese engineers and workers and completed one year ahead of schedule. The total cost, paid for by long-term interest-free loans, is put at 150 million U.S. dollars.

There was no geological information available when the project was begun, while strong currents, heavy surf and the serious threat of silting required a breakwater 800 metres long, made out of 80,000 concrete pilings driven into the seabed by hundreds of Chinese workers.

The first stone was laid in April 1979. The 29,000-square-metre port was regularly buffeted up to six metres (200 feet) high and constant sandstorms blew 400,000 to 700,000 cubic metres of silt a year into the harbor basin during its construction.

Another problem was that the total of 500,000 cubic metres of stone and construction materials to build the port had to be shipped from a distance of 120 km away.

REUTER's correspondent wrote when the project was announced that it would encounter so many problems and cost so much that no foreign company would be willing to undertake it. However, the Mauritanian Government is satisfied with the completed project. "The friendship port becomes a token of friendship between our two peoples," Mauritanian President Maouya Sidi Ahmed Ould Taya said recently.

For Mauritania, trapped between the Atlantic Ocean and the Sahara Desert, the port will be an economic lifesaver. As one of the world's poorest countries, it must currently bring all its imports through Dakar in neighboring Senegal, 600 kilometres away. The port will be able to simultaneously handle three ships of between 10,000 and 15,000 tonnes each and will provide another outlet to the sea for Mauritania's landlocked western neighbor, Mali.

The proposal for the project was raised by the Mauritanian Government in the early 1970's and Chinese aid in building it was promised by the late Premier Zhou En-lai. In addition to building the new harbor, China has aided Mauritania in a number of other projects including the building of an "olympic games stadium", a big farm called "M'pourie," a national medical centre and a power station during the past 20 years.

IRANIAN FRIENDSHIP DELEGATION VISITS SHANGHAI

OW180143 Shanghai City Service in Mandarin 0100 GMT 17 Sep 86

[Text] Li Shoubao, president of the Shanghai branch of the Chinese People's Association for Friendship With Foreign Countries, yesterday at the Shanghai mansion met and feted the Iranian friendship delegation led by (?Abdollah Jasebi), principal of the Islam Liberty University and vice secretary general of the Islam Republican Party.

PLO FACTIONS FAIL IN EFFORTS FOR UNITY

OW171205 Beijing XINHUA in English 1033 GMT 17 Sep 86

["Roundup: Search for PLO Unity Fails" -- XINHUA headline]

[Text] Damascus, September 16 (XINHUA) — The efforts of three factions of the Palestine Liberation Organization (PLO) to restore PLO unity have failed once again because of the opposition of the Damascus-based Palestine National Salvation Front (PNSF). As a result, a reconciliation conference scheduled to be held in Algeria on September 14 and attended by leaders of the differing PLO factions has been postponed.

When representatives of the Democratic Front for the Liberation of Palestine (DFLP), the Fatah Central Committee and the Palestinian Communist Party (PCP) met in Moscow in early August, they agreed to convene a session of the Palestine National Council aimed at achieving PLO unity. A follow-up meeting in Prague concluded with a 12-point program for resuming political and organizational unity within the PLO.

The program demands that all organizations within the PLO faithfully carry out the organization's political program, adhere to the resolutions of the Palestine National Council and reject all attempts to "partially" solve the Palestinian issue which will weaken the Palestinian cause. The program drawn up in Prague also insists that the PLO is the sole legitimate representative of the Palestinian people.

In the program, Fatah reaffirmed its position that the Amman agreement is invalid and that the various organizations within the PLO must be reformed to make it more representative.

The Amman agreement, signed by King Husayn of Jordan and PLO leader Yasir 'Arafat on February 11, 1985, in Amman, calls for a special joint-negotiating relationship between the two in moving together toward peace in the Middle East and the formation of the proposed Confederated Arab States of Jordan and Palestine.

When the program was announced, it was rejected by most of the subsidiary groups within the PNSF, with the Popular Front for the Liberation of Palestine (PFLP) — general command and the Fatah dissident movement expressing the strongest opposition. These factions argued that the prerequisite for PLO unity is that 'Arafat must step down from his position as leader. They also asserted that to convene a session of the Palestine National Council would be a big step toward destroying the Palestinian cause. In addition, they warned that the DFLP must immediately stop its "sabotage policies" before it is "too late."

Abou al-Hayja, representative of the People's Liberation War Vanguard (Al-Saika), said the program completely denies the concept of armed struggle as the major means of liberating the Palestinian people and said that he considers an international conference to be the only way to achieve a settlement of the Palestinian issue. He said that the Aden-Algiers agreement mentioned in the program has long been rejected and cannot become the foundation for PLO unity.

The Aden-Algiers agreement, signed in Algiers, capital of Algeria, on July 13, 1984, calls for PLO unity and paved the way for the convening of the 17th Palestine National Council.

"Nidal ach-Chaab," organ of the Palestinian Popular Struggle Front, denounced Fatah's policy toward the Amman agreement, saying that to declare the Amman agreement invalid is only to admit a fait accompli because Jordan had already declared on February 19 that it would end its joint actions with Palestine.

By now, only the Popular Front for the Liberation of Palestine, which belongs to the PNSF, has not commented on the program.

Observers here believe that efforts of the DFLP, Fatah Central Committee and PCP to restore PLO unity are backed by the Soviet Union, but have failed to get approval from Syria.

When receiving Abu-Musa, head of the Fatah dissident movement, in early August, Syrian President Hafiz al-Assad reaffirmed that Syria strongly supported the PNSF and would provide it with all necessary help. Al-Assad's promise has made it clear that Syria does not support efforts of the DFLP, Fatah Central Committee and PCP to achieve PLO unity. This lack of Syrian support, the observers say, is the principal reason why those efforts have failed.

WEI JIANXING FETES VACATIONING BENIN COMMUNISTS

OW171431 Beijing XINHUA in English 1307 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) — Wei Jianxing, member of the Chinese Communist Party Central Committee and head of the committee's Organization Department, today met and gave a dinner in honor of a vacationist group from the party of the People's Revolution of Benin, led by Azodogbehouse Francois, member of its Central Committee.

CHING PAO EXAMINES WAN LI COMMENTS ON PRC IDEOLOGY

HK180653 Hong Kong CHING PAO in Chinese No 9, 10 Sep 86 pp 26-28

[Article by Liu Chiang: "Wan Li Meets Liu Binyan; Says the CPC Requires a 'Second Type of Loyalty'" -- first paragraph printed in boldface]

[Text] Wan Li told Liu Binyan: "I agree with you. Our party requires not only Lei Feng spirit, that is, the first type of loyalty, but also a second type of loyalty. If a party does not listen to criticism and does not accept the masses' supervision and suggestions, it will surely fall from power, be it a communist party, a social democratic party, a liberal party, or a christian people's party."

The Government's Stand on Comments Concerning Democracy

On 15 August, prior to the CPC's sixth plenary session in September, with the authorization of the XINHUA NEWS AGENCY, major newspapers published a long speech by Wan Li, a member of the Political Bureau of the CPC and vice premier of the State Council, at a national soft science research work symposium on 31 July, entitled "Making Policies in a Democratic and Scientific Manner Is an Important Problem in Political Structural Reform."

Two weeks ago, a Shanghai newspaper, SHIJIE JINGJI DAOBAO, was the first to frontpage abstracts of this speech. Despite many frustrations, this newspaper enjoys a reputation in theoretical circles as a result of its bold reports on reforms since its establishment in the summer of 1982.

The abstracts of his speech in SHIJIE JINGJI DAOBAO and reports on his speech by major newspapers indicate that Wan Li's speech is of extraordinary importance.

Economic structural reform, which started in the countryside 6 years ago, has now developed into overall reform in the urban areas which inevitably are pounding the existing political structure. Since June, CPC strongman Deng Xiaoping has, on several occasions, suggested study of political structural reform. This has been caused by various suggestions on democratization put forward since the beginning of this year. Wan Li's speech can be taken as an expression of the government's attitude under Deng Xiaoping's suggestion (order) toward comments on democratization. It is also an idea on political structural reform revealed before the sixth plenary session of the CPC.

Leaving Aside the Text of His Speech, Wan Li Mentioned Liu Binyan

Wan Li pointed out in his speech that an important task for leaders is to allow policy-making to adopt a democratic and scientific nature.

He said critically: "Some of our cadres still do not realize the value of knowledge and the importance of respecting knowledge and talented people. Quite a number of leaders cannot conscientiously draw a lesson from previous mistakes in policy-making which have brought great harm to the state and the people. They very seldom have contacts with intellectuals and experienced comrades and even look upon them as passers by." [paragraph continues]

He added: "Leaders should respect the rights of others to air their views in a democratic way, and should not be afraid of different opinions and even of objections. The saying 'blame not the speaker but be warned by his words' is correct but a little passive. The positive saying should be 'merit for the speaker and benefit for the hearer.'"

Excited, Wan Li left aside the text of his speech and speaking impromptu, mentioned Liu Binyan. He said: "I have read Liu Binyan's reportage literature 'A Second Type of Loyalty.' It is well written and there is no problem with it. Our party requires a 'second type of loyalty' in the present situation of reform."

Mr Mao once said: "Allow others to speak and the sky will not fall down; if you do not allow others to speak, you will surely come to grief one day." While quoting these remarks Wan Li mentioned Liu Binyan, injecting many new ideas into them. This suggests the CPC's sincerity in advocating democracy.

What Wan Li said represents the open attitude of the top CPC leaders toward Liu Binyan and his reportage literature "A Second Type of Loyalty." In the past, criticism of Liu Binyan and his reportage literature "A Second Type of Loyalty" was conducted secretly. CHING PAO "boldly" reported on this matter in September last year, and the magazine KAITUO, which published "A Second Type of Loyalty," was censured for "leaking the secret." It now seems that the case concerning Liu Binyan and "A Second Type of Loyalty" has ended.

Wan Li Meets Liu Binyan at Home

It was reported that Wan Li met Liu Binyan at home on the morning of 7 August. Also present were Wan Li's wife and child. Their conversation proceeded in a cordial family atmosphere.

Wan Li encouraged Liu Binyan, saying: "I agree with you. Our party requires not only Lei Feng spirit, that is, the first type of loyalty, but also a second type of loyalty. If a party does not listen to criticism and does not accept the masses' supervision and suggestions, it will surely fall from power, be it a communist party, a social democratic party, a liberal party, or a christian people's party."

Wan Li continued: "The third loyalty you criticize in your work, namely fawning on leaders and doing everything to one's superior's liking is also a type of loyalty. But this type of loyalty will make things worse."

At 1800 on the same day, the compilation committee for the "Translation of Works by Famous Foreign Thinkers" held a symposium at the Association of Fellow Students Studying in Europe and America. At the symposium, young compilers invited their "beloved teacher" and "pitiable old man," He Jiadong, to speak. He Jiadong gave them the above news amid warm applause.

He Jiadong Is a "Beloved Teacher"

He Jiadong was originally an assistant editor in chief in the Workers' Publishing House. He was in charge of the two editorial rooms for politics and ideology, and was editor in chief of the magazine KAITUO. He was a member of the Chinese Writers' Association and is the author of the books "Devote Everything to the Party," "My Family," and "Liu Zhidan." [paragraph continues]

He was branded as a rightist in 1957 because he published Liu Binyan's collection of reportage literature entitled "Classified News From This Newspaper." Subsequently, he was repudiated under the supreme instruction "using novels to carry out anti-party activities is a great invention." In the "Great Cultural Revolution," "Devote Everything to the Party" and "My Family" were criticized as poisonous books which defended the erroneous line, and he was taken into custody. When economic reform first started, he exerted himself and ran the magazine KAITUO, but he was soon dismissed from his post because the magazine published Liu Binyan's "A Second Type of Loyalty." His fate was this: The magazine was banned and he was removed from all posts and ordered to retire to his native place. People probably call him a "pitiable old man" because of this. But to young men, he is really a "beloved teacher" who should be held in the highest esteem.

From the ups and downs in his editorial career, people can readily see his extraordinary farsightedness. But what is more precious is that which he has left undone. He is an enlightened man who is bold and resolute in his work. Since his youth, his ideology has always kept pace with the times, and he has always been enthusiastic in pursuit of truth. For this reason, young theorists today respectfully call him "beloved teacher."

What Is Worse Is That Even Nietzsche Was Involved

Before his dismissal, He Jiadong was in charge of compiling three political and ideological books, one of which was the "Translation of Works by Famous Foreign Thinkers." This is the first mainland book which systematically introduces the remarkable ideas of famous foreign thinkers. The unparalleled achievements of these thinkers in the philosophical and scientific fields have helped change mankind's way of thinking and concept of value, thereby promoting human civilization. It is planned that this book will be published in at least 100 volumes.

The other two books, entitled "A Collection of 20th Century Works" and "A Collection of Chinese and World Cultures," cover an even larger range of knowledge. Western civilization was introduced to China during the late Qing Dynasty through Yan Fu's translation of Huxley's work "Evolution in Nature." However, a common shortcoming in China's modern ideological circles is that Western civilization has not been introduced in a systematic and all-round way, but in a pragmatic manner instead. These three books are aimed at making an unprejudiced exhibition of Western ideology according to the development of Western humanism [renwen zhuyi 0086 2429 0031 5030], so as to provide a large choice of material for today's ideology and theories.

Four in the series of "Translations of Works by Famous Foreign Thinkers" have been published, one of which is on Machiavelli, the "giant of the Renaissance." He was always talked of in China in the past, but most people mentioned him with ill feeling. Shakespeare called him the "cruel Machiavelli." In history, he was a man commonly hated by moralists, conservatives, and revolutionaries. Marx and Engels severely criticized his principles as representing the "force which strangles democracy." This volume was selected and published by Quentin Skinner, a Cambridge University professor, who also wrote Machiavelli's biography on the basis of the achievements he had made in his research. The author is of the opinion that Machiavelli's viewpoint of "extricating politics from the control of morality" really helped develop the concept of politics and morality. [paragraph continues]

The compilers believe that this can be used as a reference in China's political structural reform and in strengthening the legal system. There was also a rule of virtue in ancient China, which was in fact the most reactionary and backward political concept. This concept has deeply affected the political structure of the CPC, and even the central Discipline Inspection Commission cannot free itself from its influence, which is characterized by the practice of paying attention only to morality, to the neglect of law. When a cadre violates law and discipline, he is not punished according to law but, instead, is merely required to write a letter of self-criticism. If he does not write it well, he will be punished according to party discipline instead of by law.

The compilers of this series of books are young and talented ideological theorists who cherish great enthusiasm for political structural reform. They joined the Workers' Publishing House because of He Jiadong. However, apart from causing He Jiadong's dismissal, Liu Binyan's case unexpectedly also involved some 100 Western thinkers, including Nietzsche. The compilation of this series of books was suspended by He Jiadong's successor under the pretext that He Jiadong "did not attend properly to his duties."

On the mainland today, there are bound to be talented people who have a good understanding of current affairs. The "Translation of Works by Famous Foreign Thinkers" has been shifted to the Academy of Social Sciences for further publication. the Huaxia Publishing House, which was recently established by Deng Pufang, has taken over publication of "A Collection of 20th Century Works." Deng Pufang said that he would change it into a treasure house which can turn out new ideas and talented people. The publication of "A Collection of Chinese and World Cultures" has been transferred to the Joint Publishing Company under the new title of "A Collection of New Culture."

The changes in He Jiadong's position and the transfers of the publications of these three books indicate a turn for the better in reforms and portray the characteristics of reforms.

Dang No Longer Allows "Theoretical Authorities" To Interfere

This autumn is greatly different from last autumn, when Liu Binyan was fiercely repudiated as a "representative of bourgeois democratization." Now glad tidings keep coming in.

It was said that the "theoretical authority" who ran into a wall of criticism in Shanghai rebuked some young theorists at a theoretical research symposium by saying: "You have mentioned so many authorities. Why don't you mention Marx?" As a result, he infuriated the participants. Therefore, these "newborn calves" wrote a letter of complaint to His Excellency Mr Deng, who, soon afterward, issued the following instruction to this "theoretical authority": "From now on, you should no longer meddle with problems in the ideological field!"

This "theoretical authority" has caused a series of problems for Mr Deng since the "Ma Ding incident." Mr Deng had no choice but to dissolve the CPC's ideological group under his leadership. The Central Ideological and Cultural Work Group has been formed, with Hu Qili as leader and Xiang Nan as deputy leader, and Xi Zhongxun, Zhu Houze, and Gao Zhanxiang as its members (it is said that Gu Mu is also a member). The observer of this group is Qin Chuan. With the exception of Xiang Nan, the rest hold concurrent posts. Mr Deng once said that holding too many posts at the same time will help foster bureaucratism and formalism. Whether this leading group will play a balancing role in the CPC's ideological work remains to be seen.

NANFANG RIBAO EXAMINES MAO ZEDONG THOUGHT

HK120309 Guangzhou NANFANG RIBAO in Chinese 9 Sep 86 p 4

[Article by Liu Rong: "Uphold the Principle of Seeking Truth From Facts Advocated by Comrade Mao Zedong"]

[Text] The historical meritorious service rendered by Comrade Mao Zedong, great leader of the Chinese people in leading the CPC and the Chinese people to win the signal victory for the Chinese revolution is indelibly engraved on the memory of the people and will shine ever more brightly with the lapse of time and the development of history.

People will not forget that it is Comrade Mao Zedong who led the CPC and the Chinese people to achieve the great victory for the new-democratic revolution and socialist revolution through an earth-shaking fight and protracted and arduous heroic struggles and to change the semi-feudal and semi-colonial oriental power which was trampled upon and oppressed by other countries into an independent and free socialist power. Thereupon China put an end to the history of exploiting classes dominating the broad masses of the laboring people and the history of imperialism and colonialism enslaving the Chinese people and ushered in a new era in Chinese history. If there has been no leadership of the CPC chiefly represented by Comrade Mao Zedong, "our party and people would have had to seek truth in darkness for a longer time." We must never forget where our happiness comes from. The great historical feats performed by Comrade Mao Zedong are indelibly engraved on the memory of the people.

People will also not forget that in "the collective struggles waged by the party and people," Comrade Mao Zedong, with his superb courage and spirit of blazing new trails, integrated the fundamental tenets of Marxism-Leninism with the concrete practice of the Chinese revolution. He was bold in bringing forth new theoretical thinking, discarded certain "outmoded" tenets and conclusions of Marxism-Leninism inappropriate to actual conditions in China, and replaced them with the tenets and conclusions appropriate to actual conditions in China, thus having developed Marxism-Leninism and molded scientific Mao Zedong Thought tallying with the actual situation and law of development in China. It is Mao Zedong Thought which guided the CPC and the Chinese people from one victory to another. Mao Zedong Thought is Marxism-Leninism with Chinese characteristics. It is the spiritual wealth accumulated with the blood of the Chinese people and a crystallization of collective wisdom. In the past Mao Zedong Thought guided us toward the road of victory, and it is and will still be our ideological weapon of winning still greater victory.

Some people say that since Mao Zedong Thought contains such erroneous theories as the theory of "taking as the key link the class struggle between the proletariat and the bourgeoisie" and the theory of "continuing the revolution under the dictatorship of the proletariat," how could it be a guide to action? Others say that since new situations and problems continue to arise in the great practice of China's socialist modernization, and Mao Zedong Thought cannot solve these new problems, how could it be a guide to action? In this connection, we must clarify two problems of understanding. First, we must distinguish between the personal thinking and remarks of Comrade Mao Zedong and scientific Mao Zedong Thought which is a crystallization of collective wisdom. Some remarks made by Comrade Mao Zedong before he became a Marxist, and the errors he committed in his later years such as the error of "taking class struggle between the proletariat and the bourgeoisie as the key link" and the error of "continuing the revolution under the dictatorship of the proletariat," are not included in Mao Zedong Thought, which is regarded as a scientific system.

Mao Zedong Thought has been proved by practice as "correct theoretical principles and summing up of experiences of the Chinese revolution" and is "a crystallization of the CPC's collective wisdom." The erroneous theories and practice adopted by Comrade Mao Zedong in his later years do not belong to scientific Mao Zedong Thought and are divorced from the orbit of Mao Zedong Thought which is regarded as an integration of the fundamental tenets of Marxism-Leninism and the concrete practice of the Chinese revolution. Second, like Marxism-Leninism, Mao Zedong Thought is not a collection of dogmatism but a scientific world outlook and methodology. The theories regarding the new-democratic revolution in Mao Zedong Thought, including the theory of encircling the cities from the countryside, are "outmoded" and inapplicable to China today. However, as the living soul of Mao Zedong Thought, the stand, viewpoint and method embodied in its component parts such as integrating theory with practice, seeking truth from facts and the mass line are still of universal significance of guidance and remain an ideological weapon of our socialist modernization.

Just as the "Resolution of Certain Questions in the History of Our Party Since the Founding of the PRC" points out, seeking truth from facts means proceeding from reality and combining theory with practice, that is, integrating the universal principles of Marxism-Leninism with the concrete practice of the Chinese revolution. In combating subjectivism and especially dogmatism, Comrade Mao Zedong opposed blind book worship and persisted in combining theory with practice, that is, he persisted in seeking truth from facts and applying the stand, viewpoint and method of Marxism-Leninism in the study of the logic of the Chinese revolution, thus charting the course toward victory in the Chinese revolution. Therefore, seeking truth from facts is the quintessence and fundamental proposition of Mao Zedong Thought. Comrade Chen Yun had said: "Whether to adhere to the work style of seeking truth from facts or not is the main indication of distinguishing genuine from sham Marxism-Leninism and genuine from sham Mao Zedong Thought." (RENMIN RIBAO 28 September 1977) Comrade Deng Xiaoping has said: "Just as in the past we achieved all the victories in our revolution by following the principle of seeking truth from facts, so today we must rely on it in our effort to accomplish the four modernizations. Comrades in every factory, government office, school, shop, and production team as well as comrades in party committees at the central, provincial, prefectural, county, and commune levels -- all should act on this principle." ("Selected Works of Deng Xiaoping," p 133) The principle of seeking truth from facts is the most valuable spiritual legacy bequeathed to us by Comrade Mao Zedong. If we adhere to the principle of seeking truth from facts, our cause will win; if we deviate from the principle, our cause will meet with setbacks and even failure.

Just adhering to the principle of seeking truth from facts, Comrade Deng Xiaoping, as a "principle policy-maker of our party today," with his outstanding art of leadership and boldness, led the entire party and people to realize the great and historical change of "setting things to rights," that is, "setting to rights things which had been thrown into disorder by Lin Biao and the 'gang of four,' criticizing the mistakes committed by Comrade Mao Zedong in his latter years, and returning to the right track of Mao Zedong Thought." Thanks to his adherence to the principle of seeking truth from facts, with the spirit of blazing new trails and making a bold break with traditional ideas, Comrade Deng Xiaoping paved the way for Chinese-style modernization and advanced on the objective of working hard for building socialism with Chinese characteristics. Opening up a new path and blazing new trails must depend on adherence to the principle of seeking truth from facts. Both at home and abroad, some people like to attribute the "amazing changes" that occurred in China to forsaking of Marxism-Leninism and Mao Zedong Thought and giving up the socialist road. If this is not a misinterpretation, it is a misunderstanding because these people take a dogmatic attitude toward Mao Zedong Thought. [paragraph continues]

In his meeting with President Maumoon Abdul Gayoom of the Republic of Maldives on 26 October 1984, Comrade Deng Xiaoping said: "A little experience we have gained from our achievements is that over the past few years we have affirmed the principle of seeking truth from facts advocated by Comrade Mao Zedong. China's path to success is due to the fact that Comrade Mao Zedong integrated Marxism-Leninism with China's realities so that a socialist path unique to China was developed. In our construction, we will also follow our own road by integrating Marxism-Leninism with the actual conditions in our country. In accordance with this principle, over the past 5 years much has been achieved in economic reform. We have recently decided to carry out the restructuring of the national economy as a whole with the focus on the urban economy. To achieve it, we will also follow our own road by integrating the fundamental tenets of Marxism-Leninism with China's realities." ("Building Socialism With Chinese Characteristics," p 65)

As long as we adhere to the principle of seeking truth from facts advocated by Comrade Mao Zedong and advance along the scientific socialist road, our cause of building the four modernizations will certainly flourish and its prospects will be splendidly bright.

EXCERPTS OF LIU ZAIFU ARTICLE ON SCIENTIFIC SPIRIT

HK121449 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 12 Sep 86 p 8

["Excerpts from QUNYAN [MASS TALK] No 9, 1986": Liu Zaifu on Scientific Spirit"]

[Text] 1. Science does not recognize that there is a self-proclaimed absolutely perfect and lasting theoretical framework. Nor can there possibly be ultimate truth. Therefore, science can be an assumption. There should be no premise offered as "absolute truth." Only by dropping such a premise can academic debate be normal. For a person to vie to be the first to claim possession of absolute truth seems to be an unfortunate phenomenon common among mankind.

The above is absolutism that is diametrically opposed to scientific spirit.

2. Science recognizes that every researcher has the right to truth. Science should recognize that various sides participating in any debate have the right to discover and master truth and the ability to do so. Therefore, whoever discovers and masters truth is a matter independent of authority, independent of need for a majority, and independent of a respectable or humble position or of the times.

3. Science knows no concept of authority worship and idolatry. Science always means more or less doubt for authority, idols, and recognized formulas and modes of thought. Doubt is a mental driving force behind the discovery of truth and is the starting point in truth exploration.

4. Science is always experimental. The experimental nature of natural sciences is generally recognized. But the experimental nature of social sciences and social studies is often overlooked. To recognize the experimental nature of science is to recognize that the scientific process is one of continuous exploration, continuous failures, continuous summing up of experiences, and continuous struggle to get ahead.
[paragraph continues]

Failure is a necessary step to truth. Subjecting a mistake to analysis, supplementation, and revision is science. Subjecting a mistake to a political trial is against science.

5. A genuine scientific spirit stresses the pursuit of truth and not the possession of truth. In scientific exploration, the spirit of "being concerned only with cultivation and not with reaping the harvest" is necessary. Being scientific for the sake of science often can bring scientists to greater depths of the mental world. Science's selflessness is derived from taking itself as its own lofty goal. For the sake of scientific truth, everything else can be sacrificed, including the self-sacrifice of a person involved. Science has no concrete aim of practicality, but it will never forget its mission of promoting the welfare of mankind.

6. Science is subject to test. Moreover, practice is taken as the most authoritative yardstick by which to test scientific truth.

7. Respect for science means not just respect for abjective things and not just respect for knowledge and technology; it also means respect for who is exploring objects, that is, respect for people who are the discoverers of information architects of the system of knowledge.

8. The essence of propaganda is the illustration of things known, while the essence of science is the discovery of things unknown.

9. One of the features essential to the understanding of science is the systematic nature of such understanding. The mix of fragmentary knowledge not yet incorporated in a certain ongoing system cannot form science. The establishment of an idea or concept of a system and the mastery of methods related to the system is a fundamental skill that contemporary scientific workers must acquire.

10. Scientific spirit does not recognize any authority. Scientific spirit is fully humble and fully honest. Anyone with scientific spirit fully respects scientific achievements, respects scientists, and treats scientists as the cream of mankind. Not knowing to respect scientists is a reflection of smallness or even meanness where human dignity is concerned. Of course, it is also a reflection of the ficiousness of human nature. In a nation full of scientific spirit, the people should universally cultivate a habit of respecting science where culture and mentality are concerned.

GUANGMING RIBAO ON RURAL ECONOMY CENTRALIZATION

HK140720 Beijing GUANGMING RIBAO in Chinese 7 Sep 86 p 3

[Article by Wen Quan: "Tentative Views on 'Centralization' in Rural Economy"]

[Text] The reform of the rural economic structure, which is centered on the system of contracted responsibilities with payment linked to output, has boosted the vitality of the country's rural economy. One of the main features of this reform is decentralized management. However, with the development of the rural economy, a disadvantage of too much decentralization -- that is restricts the development of the productive forces -- is being gradually exposed. "Centralization" has now become a new problem concerning the contemporary rural economy.

Actually, like "decentralization," "centralization" is indispensable to economic activities. "Decentralization" encourages the individual to make the best use of his talents and abilities, whereas "centralization" helps us pool collective strength. In order to arouse the enthusiasm of the family as a level of management, it is necessary to have some "decentralization." However, after we have aroused the enthusiasm of the family as a level of management, "centralization becomes indispensable.

First, the development of a commodity economy entails "centralization." The rural economy is developing from a self-sufficient natural economy into a commodity of economy. As a result of this, a wider and wider range of the peasants' productive activities will be governed by the law of value. A peasant involved in decentralized operations will find it difficult to have an understanding of the overall situation and the demand situation from the viewpoint of society or to obtain information. As a result of backward technology and backward management, more time will have to be spent on producing an individual product than is socially necessary, and losses will be inevitable. In order to overcome the disadvantages of the peasants' decentralized operations, it is necessary to establish centralized service organizations which provide effective and efficient information, technical, and management services for the peasants involved in decentralized operations. In this way we can avoid unguided actions and overcome the spontaneity resulting from decentralization and enhance the peasants' ability to produce products and compete with others in a commodity economy.

Second, because of its special characteristics, agricultural production requires centralization. Natural conditions greatly affect agricultural production. In order to enhance the people's ability to cope with nature, it is necessary to group and organize the peasant households so that they can share water sources, work together to build irrigation works, and so on.

Third, a socialized production calls for "centralization." The development of our commodity economy has led to a higher degree of labor division and a higher degree of specialization in the rural areas. The more closely the peasants are tied to society, the more socialized production and management will be. In the course of agricultural production, some processes, such as the growing, purification, and rejuvenation of seeds and seedlings and the drying, processing, and transportation products must be handled by some specialized economic units which provide centralized service for peasant households.

Fourth, "centralization" is a must if we are to take the road of mutual prosperity. Mutual prosperity, as a fundamental goal of socialist modernization, is conclusive proof of the superiority of socialism. At present, some peasants have become rich before others. However, we should be able to see that some peasants, having a slender foundation to start with or because of poor management or natural or human calamities, still live in straitened circumstances. In order to help these peasants shake off poverty quickly, it is necessary to adopt centralized measures, to give them centralized preferential treatment, and to help them develop production.

If the development of the country's rural economy requires us to centralize things, who, then, is to be responsible for this "centralization?"

One of those to be responsible for this task should be the regional cooperative economic organizations that have evolved. These cooperative economic organizations have been established in townships and villages.

At present, however, in many parts of the country, village administrative organizations are performing the functions of these economic organizations. These village administrative organizations have evolved from village and commune organizations. Characteristically using land ownership as a medium [zhong jie 0022 0094], these organizations mainly perform the following functions: centralizing farmland capital construction and the management of irrigation works and irrigation projects; improving production conditions; organizing efforts to combat natural calamities such as drought, floods, strong winds, hailstorms, and so on; centralizing land management and readjustments; protecting and preserving various agricultural resources such as land, forests, water sources, and so on; centralizing the application of the contract system and perfecting it; perfecting purchase contracts and centralizing their execution; mediating among the interests of the peasants, the collective, and the state; harmonizing the economic relations between various local industries and professions; properly managing old and new public property; establishing; readjusting the local production setup; helping impoverished households and centralizing social welfare; and providing various services for the peasants.

Second, transformed enterprises and institutions which provide services should also be responsible for centralizing things. Enterprises of this type include supply and marketing cooperatives, credit cooperatives, grain procurement stations, farm and sideline products procurement stations, farm machine stations, agrotechnology popularizing stations, veterinary service stations, seed distribution stations, water conservancy service stations, and so on. Generally speaking, these units have two main characteristics: On the one hand, they are branches set up in the rural areas by various state departments. Thus, they have the nature of public utilities. However, on the other hand, with the peasants' participation, they also have the nature of cooperative enterprises. At present these units are being transformed. This means that they are becoming enterprises assuming sole responsibility for their own losses and profits and that civil participation is eclipsing government intervention in their administration.

Third, reorganized service combines should also be responsible for the above task. These organizations mainly refer to those specialized producers' associations and economic combines which provide various services. These organizations are formed voluntarily and on the basis of production and operational requirements and on the basis of production and operational requirements by peasants involved in decentralized operations. Thus, organizations of this type can more satisfactorily meet the practical needs of operators and producers in performing the function of "centralizing things."

PLANNED, ECONOMICAL GRAIN CONSUMPTION VIEWED

HK120801 Beijing JINGJI RIBAO in Chinese 3 Sep 86 p 1

[Editorial: "It Is Still Necessary To Insist on Planned Economical Consumption of Grain"]

[Text] Grain is the most important basic commodity and plays a vital part in the national economy and people's livelihood. The planned and economical consumption of grain has been an important principle of China's economic work over the past 30-odd years following the founding of the state. This principle is still practical and significant in today's situation.

The reason for stressing this principle, which has been repeatedly talked about over the years, is that in recent years China has successively reaped bumper grain harvests, has raised the per capita amount of grain; and has greatly improved the grain consumption situation in both urban and rural areas. [paragraph continues]

Under these circumstances, some comrades believed that we could no longer insist on or stress the principle of planned and economical grain consumption as before. The situation of consuming grain in an extravagant way is very common in some places. Some units use grain instead of substitute grain in production even though they are capable of using substitute grain to save food. This therefore cannot but cause us to attach great importance to the matter.

We should realize that China's per capita grain is now less than 400 kilograms, which is still below the world's average. China's per capita food consumption is about 250 kilograms per year but transformed grain food -- meat, poultry, eggs, and milk -- is still insufficient. Therefore, the calories needed by the people basically come from grain. During the Seventh 5-Year Plan period, there will be a considerable growth rate in grain demand in the wake of natural population growth, the improved food consumption structure, people's improved living standards, and the development of grain consuming industries. But the development of grain production is to a certain extent limited, because of limitations in various areas. All these show that though China has greatly improved the grain consumption situation it is still in general a kind of lower level consumption and will still have not resolved the issue. We must continue to advocate and insist on planned and economical grain consumption. Otherwise, our contradiction between grain production and grain demand, which has already developed, will inevitably be intensified.

At present, we still have great potential for consuming grain in a planned and economical way. For instance, it is very common for people to consume grain in an extravagant way in their daily lives. Some units and people do not plan grain consumption well, and even throw away a large quantity of grain for no reason. China is a vast and populous country. If everyone leads their lives in an economical way, we can save a large quantity of grain.

For another example, our current proportion of grain consumed as fodder is too high. Of the country's fodder, only some 10 or more percent is mixed fodder, while over 80 percent is mainly grain. If we process the latter and turn it into mixed fodder, we shall greatly increase the quantity of livestock and poultry raised. Also, compared to the current practice of using grain as fodder, we would improve the economic results by more than 25 percent.

Let's take one more example. Previously, the raw material in some industrial production was always substitute grain. But some of them have recently switched to using grain as the raw materials. At present, only part of the products from China's 11 [as published] provinces use substitute grain. If we can make industrial production enterprises, which are able to use substitute grain as their raw materials, insist on the use of the substitute, we would save on a large quantity of grain.

In addition, the amount of grain consumption by breweries has been sharply increased in recent years. This is mainly because some township breweries have been rapidly developed. Most of these breweries produce white spirits. Because of their backward technology, however, they consume large amounts of grain in production and their costs are therefore rather high. If we reduce the production volume of high proof white spirits, which consumes large amounts of grain, while increasing the production of low proof spirits or drinks, not only shall we save on grain but we will also improve people's physical health.

The planned and economical consumption of grain is a protracted principle of China's grain work. We must strengthen our propaganda and education about it, so that people across the country will fully understand the importance of saving on grain, will carry forward the Chinese nation's traditional virtue of being hardworking and thrifty, and will cherish every grain. [paragraph continues]

On policy, we must encourage the practice of planned and economical consumption of grain, advocate the use of substitute grain, develop comprehensive utilization of grain, and promote the intensive processing of grain, so as to multiply the increase in value. All localities, as well as departments at various levels, must further strengthen their grain supervision. By taking various economic means, as well as all necessary administrative means, they must promote the scientific and rational consumption of grain, so as to develop the economical consumption of grain into a common social practice.

CHANGSHU CITY SETS UP NEW TYPE OF TRADE FAIR

HK170113 Beijing RENMIN RIBAO in Chinese 13 Sep 86 p 2

[Report by Fu Peisheng: "Peasants in Jiangsu's Changshu City Set Up a New Type of Trade Fair"]

[Excerpts] A new type of peasant-run trade fair which has been welcomed by producers operators, and consumers has developed in Changshu City in Jiangsu Province. Since its founding a year ago, the trade fair has attracted businessmen from 420 cities and counties of 29 provinces, municipalities, and autonomous regions. An average of over 10,000 people per day visit the fair and an average business volume of over 100,000 yuan per day is conducted. Changshu City's trade fair has developed into a well-known big trade fair which is mainly famous for its clothing, textiles, and indoor decorations. [passage omitted]

The Changshu City trade fair has gradually perfected its management system and has established relevant organizations and rules and regulations with regard to traffic safety, city environment, hygiene, industrial and commercial administration, public security supervision, and other aspects. The industrial and commercial department, tax department, public security department, and some other departments have established a joint office at the trade fair to guide the operators there to do business according to the law. Business at the trade fair is brisk and the whole trade fair is in good order and under good security.

Commentator's Article

HK170127 Beijing RENMIN RIBAO in Chinese 13 Sep 86 p 2

[Commentator's article: "Develop Trade Fairs Run by the People"]

[Text] The trade fair established by the peasants in Qinnan Township of Changshu City receives both government and private businessmen and accepts both southern and northern goods. Since the establishment of the trade fair, businessmen have come from thousands of li away to the trade fair to do business and the commodities of the trade fair have reached thousands of li away.

This type of trade fair run by the peasants is an effective way to enable circulation to conform with the development of production.

Over the past few years, trade fairs run by the people have sprung up in various parts of the country. This is an important breakthrough in the old system characterized by the monopoly of the state commerce. The development of the commodity economy in the rural areas objectively demands a bigger volume of circulation which is characterized by faster speed and greater distance. [paragraph continues]

In this wide field, the state commerce and the commerce run by the peasants compete with each other. Each has its own advantages and disadvantages. While state commerce has the advantage of a big volume and wider circulation, it has the disadvantage of being under over rigid control. Commerce run by the peasants has the advantage of flexible operations and faster circulation. It has the disadvantage of a small operational scope and small business scope and a lack of the sense of responsibility toward the macroscopic market. In order to invigorate circulation and stimulate the market, the state, collective, individual commerce, "government-run commerce," and commerce run by the peasants should be allowed to compete with one another, rely on one another, and complement one another, so as to form various commodity circulation networks.

Changsha City's peasants-run trade fair is characterized by a large business volume, fast circulation, and broad business scope. This trade fair run by the peasants has attracted the state, collective, and individual businessmen, has been able to carry out both wholesale and retail business, and has been able to enable its commodities to reach various provinces, municipalities, and autonomous regions in the country and go deep into the high, middle, and low circulation strata of commerce. The trade fair can be said to have combined the advantages of both state commerce and the commerce run by the peasants so that it now has powerful advantages.

While economic results are stressed in production, they are also stressed in circulation together with the reduction of expenditures and costs. The trade fair run by people has an advantage in this respect because it neither requires state investment nor many links and big expenditure. Furthermore, the trade fair run by the people enables fast circulation. In order to encourage the development of trade fairs run by the people, we should provide for such development by having a good development environment, and should allow and encourage it to compete with and complement state commerce on an equal basis. We should also reorganize the state, the collective, the individual, and various other circulation factors according to the law of circulation so as to form a large-scale commodity circulation network with a flexible mechanism.

Changsu City's trade fair has such a strong appeal because it provides good services and has sound management. Even put under control, it can still survive. While being invigorated, it does not produce disorder. Why? Because the people who run the trade fair are not only administrators but also operators whose interests are directly linked with the success or failure of the trade fair, so they cannot place themselves above the trade fair but can only place themselves in the trade fair. This is what some dull trade fairs lack at present. The areas where trade fairs already exist should learn from Changshu City's experience.

RENMIN RIBAO ON 'FAMILY BASIS PRODUCTION'

HK160607 Beijing RENMIN RIBAO in Chinese 12 Sep 86 pp 1-2

[Newsletter by Chen Delin of Anhui Provincial Office for Structural Reform, and RENMIN RIBAO reporter Yang Chuanchun: "After Releasing Families' Energy"]

[Excerpts] Unlike Wenzhou, Fuyang did not have any tradition of commodity production, but it achieved a Wenzhou-style miracle in 2 years. More than 110,00 family basis industrial producers have risen. Last year their output value totaled 663 million yuan, accounting for one-third of the prefecture's industrial output value.

Taking a closer look at these producers, one will find that they are actually 110,000 "workshops," each of which gives play to their manpower, technological, capital and other advantages, thereby forming a spectacular "conglomeration of families." Looked at from afar, however, one discovers that under the operation of market mechanism, they turn society into an "invisible factory." Under the circumstances in which no state investment is involved, they offer commodities and create wealth in accordance with market demand. They are now bringing this typically old rural area in the recesses of the plain to the north of Huaihe into the vast ocean of commodity production. [passage omitted]

Two Development Trends

Two development trends emerged soon after the rise of Fuyang's family basis production industry. One of them is that individual families join together and merge their basic means of production such as plant, capital, manpower and technology. There are combines jointly owned by the state, collectives and individuals, which break through the old ownership system; short- and long-term combines formed by joint ventures; and the elementary stock economy has been developed in many localities. The second development trend is that the scale of enterprises run by individuals has gradually expanded, becoming large private enterprises. Some of them even use their profits to form more enterprises, thereby developing a private "trust."

As these trends have broken through the "workshop-style" family operation, they have brought about better economic results and caused more rapid development. [passage omitted]

Fuyang's family basis production industry has just started. Localities that have made outstanding achievements only account for about 25 percent of the prefecture. The per capita income of the prefecture as a whole is only 276 yuan, which is below the state's average. The tide of family basis production industry is, however, pounding at the whole prefecture. The operation mechanism has become obvious in localities that just started the industry. They have developed the "Fuyang pattern" which is highly adaptable to the old rural areas. This is a gratifying achievement following China's rural reform in the second stage. It is also a continuation of "the south Jiangsu pattern" and "the Wenzhou pattern."

Commentator's Article

HK160609 Beijing RENMIN RIBAO in Chinese 12 Sep 86 p 1

[Commentator's article: "A New Way To Liberate Rural Productive Forces"]

[Text] The 110,000-odd family basis industrial producers in Fuyang Prefecture are like a rolling river, pooling together the strength of many small streams and bringing the rural area of Fuyang from the natural economy to the vast ocean of commodity economy. This experience is new to comrades who are probing ways of developing the rural productive forces.

Following the start of second stage rural reform, most comrades have realized that to transfer the abundant manpower in rural areas to trades other than agriculture, is favorable to realizing the modernization of agriculture and the industrialization of rural area. The field of vision of quite a number of comrades is, however, limited to the transfer of township industry, which is a collective pattern. This is indeed a good way. Localities that have favorable conditions should continue to uphold the practice. [paragraph continues]

But many parts of China's rural areas are old agricultural areas, like in Fuyang, which have no experience in commodity production and a poor base for developing collective economy. When running collective township enterprises, they face difficulties in terms of capital, technology, manpower and so on. This is the reason why many protractedly closed and economically backward localities have had slow development of collective township enterprises in recent years.

In the development of family basis production industry, what makes Fuyang so remarkable is that it needed neither state nor collective investment, nor did it depend on any "supervisor." Instead, it merely released the families' energy as cells of society, and allowed peasants to study what they liked, to use the market mechanism, and to do what they wanted to do. To seemingly govern by doing nothing goes against nature but this practice has promoted tens of thousands of families in becoming commodity production workshops, thereby becoming "invisible factories" in villages and townships. This experience is highly adaptable. In particular, it is worth being used as a lesson for localities whose economic levels are rather backward and at the middle scale.

Fuyang's family basis production industry is a "market-style economy." Under the circumstances in which the socialist market mechanism has not been perfect or stabilized and the influences of "leftist" thinking have not been eliminated, it will face hinderances caused by the old system and outdated concepts. From public opinion to the purchase of raw materials and sales of products, the peasants will face difficulties. They need the protection of their legitimate rights from leadership at all levels, so as to help them and support them in developing the undertaking smoothly. We must realize the arduousness of transforming China's rural areas from the natural economy pattern to that of commodity economy. We must allow the diversification of production pattern, operation pattern and economies, so as to mobilize various positive factors. Experiences in Wenzhou and Fuyang have shown that: The development of family basis production industry is a new way of liberating the rural production forces. We should firmly establish the concept that "leadership means service" and create a relaxed environment for developing family basis production industry.

HSIN WAN PAO ON EFFECTS OF EXCESSIVE IMPORTS TO PRC

HK161148 Hong Kong HSIN WAN PAO in Chinese 15 Sep 86 p 4

["Special Feature" by contributing correspondent Wen Po: "Bad Consequences of a Swarm of Imports"]

[Text] Why Is "Dalian" Slowing Down Its "Pace" So Abruptly?

Last Year, Dalian broke a record by signing 450 import contracts. This year, however, it has signed only 50 import contracts so far. Why is the famous "Dalian Pace" being so abruptly slowed down? According to Wei Haifu, mayor of Dalian, the present pace is not slow, but, in the past, the pace was too rapid and people were so hotheaded that they wanted to swallow a hot dumpling with just one bite. In retrospect, all this was very unrealistic.

What he said contains a grain of truth. In 1984, when China was further opening itself to the world, 14 coastal cities tried to outdo one another by signing contracts. If any one of them managed to sign 100 contracts in a year, another would try to sign 150. It looked as if one's political performance and sense of reform were in direct proportion to speed and the number of contracts signed.

If a person who has not eaten anything for a long time happens to find some delicious food in front of him, he will certainly devour it voraciously without caring about indigestion. However, it would be incredible if a person behaving like this did not find himself in trouble.

At one time, people went abroad to conduct surveys, hold talks, and sign contracts like a swarm of bees and, to them, imported commodities were good commodities. Spending a lot of foreign exchange, they imported about 100 production lines for the production of color television sets, refrigerators, and washing machines. They did not try to estimate and could not foretell the country's demand for these products. Thanks to the implementation of the opening up policy, many people could import goods. Thus, the electronics industry departments, the economic relations and trade bureaus, the provinces, the cities, and so on all imported goods. Everyone imported and there was much overlapping. This resulted in supply exceeding demand. Some imported production lines were simply not used. Some were partially productive. With some foreign exchange it managed to obtain, a nameless television set factory in a small city in Shandong also imported a color television set assembly line from Japan. But it was simply not used. People jokingly referred to it as an exhibit bought for several million U.S. dollars.

Reins in Foreign Hands

There were even some ignorant "import fans" who had bought foreign carriages and horses but left the reins in foreign (mostly Japanese) hands. With foreigners, they could not even move one inch. An example is the photocopying machine production lines. The country has imported from Japan 11 production lines with a total annual production capacity of 170,000 photocopying machines. However, China's demand for photocopying machines will not reach 100,000 for 5 years. Furthermore, China does not produce the raw materials for the production of magnetic powder and the photocopying machines' magnetic drums. Thus, we must buy them from Japan with foreign exchange. As a result of the restrictions imposed on the use of foreign exchange, we do not have the money to buy raw materials. Thus, some production lines have to be laid idle.

Much foreign exchange has been wasted. It makes the people's hearts ache to see such waste. However, those who are to blame continue to import goods without ever being punished by law. Not a single regulation on this has ever been promulgated.

Those Who Have Made Mistakes Are Not Punished by Law

It is China's national policy to open itself to the outside world. It is also a fine thing to make our country and people prosper by importing, assimilating, applying, and spreading advanced foreign technology. Before importing any technology, however, we should conduct investigations and studies and try to import advanced foreign technology which we badly need and which cannot be obtained in China. Moreover, it is necessary to exercise overall management so as to avoid excessive or duplicate imports.

How should we put an end to such a state of affairs? Experts hold that besides the reform of the existing economic and political structures, there is no other way out. Otherwise, even if this loophole is plugged and the unhealthy tendency is curbed, there may be new loopholes and other unhealthy tendencies may arise.

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CHINA
PRC NATIONAL AFFAIRS

A fall into a pit, a gain in your wit. China's open cities which suffered the bad consequences of importing duplicate projects have learned a good lesson. With a cool head, they are now taking measures to correct their mistakes, maintain an appropriate growth, and gather information from the international market so that the work of opening up and importing advanced technology will embark on a healthy path.

IMPLEMENTATION OF OPEN BIDDING SYSTEM 'SLOW'

OW170321 Beijing XINHUA Domestic Service in Chinese 0758 GMT 14 Sep 86

[By reporters Xu Kehong and Ge Daxing]

[Text] Beijing, 14 Sep (XINHUA) — Implementation of various contract economic responsibility systems has, in general, proceeded quite smoothly among enterprises of the building industry; however, the open bidding system has made slow progress. This striking contrast between the implementation of the open bidding system and the implementation of other contract economic responsibility systems urgently calls for deepening management reform in the building industry and further opening the market for building materials.

The open bidding system is important for accelerating the development of China's building industry because it allows large numbers of enterprises from various places to compete with each other with quality work in the market. However, according to the latest information released by the State Statistical Bureau, in the first half of the year, some 110 million square meters, or 880.1 percent of the total construction area, were contracted by state enterprises under various economic responsibility systems; of this, only 20 million square meters, or 15.9 percent of the total construction area, were contracted through public bidding.

According to officials of departments in charge of the building industry, the slow progress of the open bidding system has been caused mainly by the lack of a compatible management system. A considerable number of state enterprises are still excluded from bidding by departments and localities. Holding fast to the outdated, selfish concept of protecting the interests of construction enterprises subordinate to them, some departments and localities have insisted on using administrative means to distribute construction assignments or willfully interfere in bidding. Others have created difficulties for enterprises from other units or places in getting bids by unreasonably holding down the construction cost and period, thereby seriously dampening the enthusiasm of construction enterprises to make bids. Secret deals, rebates, and other unhealthy tendencies existing in the contracting of construction projects have also adversely affected the implementation of the open bidding system.

Also, since the building materials market is not yet completely open, quite a few enterprises can only indirectly obtain building materials and assess construction costs. They cannot make an accurate estimate of the construction costs.

Contracting through public bidding and opening up the building materials market are inevitable trends in the reform of China's building industry during the Seventh 5-Year Plan. During this period, China will spare no efforts in reforming the management system of the building industry, separating enterprises from government functions, and introducing new management systems for all trades in order to create the necessary conditions for a prosperous construction market. Departments in charge of construction enterprises should clearly assess the situation and let the large numbers of enterprises compete with each other under the same conditions.

CHINA DAILY REPORTS DECLINE IN PRIVATE COMMERCE

HK160420 Beijing CHINA DAILY in English 16 Sep 86 p 3

[Text] Private commerce nationwide began to decline in the first half of this year for the first time since 1979 when the State first allowed individual businesses to enliven consumer markets and create more job opportunities.

By the end of June, according to CHINA COMMERCIAL NEWS, the total number of individual businesses plunged to 8.74 million with 12.24 million employees, a decrease of 190,000 businesses and 210,000 employees from the end of 1985.

The downward trend has affected half the 29 provinces, municipalities or autonomous regions, especially Hebei, Shanxi, Jilin, Heilongjiang, Jiangsu, Liaoning, Henan and Sichuan. In each of these eight areas, no less than 10,000 privately-run commercial enterprises have stopped operation.

Rural traders seem to have fared worse than their urban fellows, the paper said in a report on Saturday. In cities, a total of 47,000 shops with 32,000 workers have closed down in the first six months of this year, while in the countryside the number of bankrupt private shops amounted to 144,000 employing 174,000 workers.

In catering trades 6,000 more private shops opened but the number of individually-run shops dropped by 175,000 in retail sales businesses, by 17,000 in service trades and by 6,000 in repair services.

The paper said the lack of supply of goods and raw materials was the major cause for the crisis. Many shops complained that they could not stock enough goods needed on the market because wholesale departments sold such goods to them only on the condition that they also bought other goods unwanted by consumers.

As a result, these shops had to retail the "needed" goods at higher prices and dump the "unwanted" good at lower prices, thus not only increasing the possibility of running at a loss but also causing difficulty for the State in keeping market prices stable.

Privately-run restaurants, repair shops and other public service businesses had to find their fuel and raw materials from free markets at higher prices rather than being guaranteed them at State-fixed lower prices.

To keep their businesses, many private shops had to pay "commission fees" to those departments in charge of supplying goods and raw materials.

Many other private shops were forced to close down because they have been overburdened by too many fees and levies imposed on their businesses. In many places, the number of such wanton fees and levies could be more than a dozen, the paper said.

In Zhoukou City, Henan Province, for instance, individual businessmen had been forced to pay as many as 13 kinds of levies under such pretexts as management fees, fund accumulation fees, house rents, electricity fees, sanitation fees, business site charges and membership fees to the local self-employed associations.

Lack of development funds was still another problem with private commercial enterprises, the paper said. About 40 percent of individual businessmen are suffering a shortage of liquid capital because State banks were usually reluctant to lend to them, forcing many of them to raise money elsewhere at high interest rates.

INDUSTRIAL DEFICITS EXCEED STATE LIMITS

HK150348 Beijing CHINA DAILY in English 15 Sep 86 p 3

[Text] The total number of State-run industrial enterprises going into red jumped to over 6,800 or 17.6 percent of the country's total by the end of August. This compared with a relatively stable level of 10.5 and 10.7 percent respectively for 1984 and 1985.

According to a report in Saturday's ECONOMIC DAILY, the State plan to turn loss-making enterprises into profitable ones this year has failed. More and more profitable enterprises are now running at a loss.

From January to August, the total industrial deficit increased by 69.8 percent over the same period last year, more than the limit permitted by the State economic plans for 1986. This poses a serious problem for the State treasury in trying to keep a balance between revenue and expenditure this year.

Some government financial experts attribute the increasing industrial deficit mainly to poor management of the enterprises.

A senior official of the Ministry of Finance said the number of State-run industrial enterprises increased by 1,600 in the first eight months of this year over the same period last year. About 40 percent of the loss-making enterprises began to run at a loss this year.

As a new measure to curb the rising number of deficits, the official said any enterprises that succeed within a year in turning from deficit to profit will be allowed to keep all the profit as well as the State compensations for the deficits it has been allowed to incur.

If any enterprise manages to begin making profits in two or three years, it can expect to keep part of the gains. Any enterprise making a loss because of poor management will find that the State will no longer be held responsible for making up the losses.

A commentary in Saturday's WORKERS' DAILY pointed out that industrial losses are not only caused by poor management of the enterprises themselves but, more importantly, by "blind directions" from higher authorities.

The paper cited the case of the Wuhan No. 3 Radio Equipment Factory in Hubei Province, which has now begun to make a profit after it was declared to be on the verge of bankruptcy in June last year. It was "the victim of interference by administrators and blind orders from above," said the paper.

The factory managers and workers said that the frequent reshuffling of the factory's leaders since 1982 was a major reason for their bankruptcy. It caused great confusion in the factory management.

In four years, a total of 24 factory directors and Party secretaries were appointed or dismissed in nine management shake-ups ordered by higher authorities.

These leaders, with no prospects of longer tenure, usually lacked a sense of responsibility and were shortsighted in their production management. As a result, the factory suffered a loss of 6.7 million yuan due to work stoppages, overstocking and failures in the experimental production of new products.

The paper said the factory failed to compete in the market because of interference with its normal production management by higher-level authorities.

In 1981, for example, the factory planned to stop production of radio receivers and shift to the manufacture of other profitable products according to market demand.

But the administration departments at a higher level dictated the factory should turn out 160,000 more receivers despite its slow sales on the market. As a result, this batch laid idle until 1984 when it was dumped at a much lower price.

In another case in 1982, the factory was ordered to produce sophisticated acoustic equipment although it did not have the right facilities nor competent personnel to ensure experimental production to be a success. The product turned out to be a failure, unwanted in the market.

The paper said managers and workers at the Wuhan No. 3 Radio Equipment Factory strongly appealed to the higher administrative authorities to stop their "blind interference". They asked them to hand back the decision-making power as the State has stipulated.

ZHONGGUO TONGXUN SHE ON REFORM OF JOURNALISM

HK121459 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1428 GMT 10 Sep 86

[Article by Ye Long: "Reform of Journalism in China" -- ZHONGGUO TONGXUN SHE headline]

[Text] Hong Kong, 10 Sep (ZHONGGUO TONGXUN SHE) -- The reform of China's journalism has recently become a popular conversation topic on the mainland.

At a "National Forum of Chief Editors of Provincial Newspapers" which was held in early August, some people pointed out that there was too much news about meetings and conferences in mainland newspapers. Many agreed with them. At about the same time, a signed article in GUANGMING RIBAO called on the country's newspapers to abandon the dogmatic principle of "expressing identical opinions." Shortly after that, RENMIN RIBAO, the country's official newspaper, successively published several articles encouraging people to voice their innermost feelings and calling for the devotion of more space to this end. Vice Premier Wan Li said: "It is necessary to encourage the free airing of views, to lift the ban on the expression of opinions, and to put into effect the provision on freedom of speech in the Constitution." These new trends have recently been observed in mainland journalism.

The CPC has always regarded journalism as "a tool in class struggle" and "the party's mouthpiece" and the country's mass media have always spoken along the same lines.

During the "Cultural Revolution," the situation worsened, with "minor newspapers copying from major ones and major newspapers copying from Liang Xiao (the pseudonym for a writing group then)." Thus, what one could read in newspapers and heard from radios were basically the same things and repetitions. This was either news about conferences or long, tedious speeches. The media were inactive, like a pool of stagnant water.

In recent years, thanks to the implementation of the opening up policy, the newspapers and radios have shown some improvements and the number of people complaining about cadres and trying to bring to light the dark side of things has been increasing. Particularly since the beginning of this year, the authorities have reiterated the principle of "letting a hundred flowers blossom and a hundred schools of thought contend" and different opinions and views have been able to reach the public through the radios and newspapers. Of these views, the ones on the reform of the political structure and on building a socialist spiritual civilization have been the most comprehensive. These views inevitably have a bearing on the issue of the reform of journalism.

In order to reform the political structure, it is necessary to act in a democratic spirit and to give free rein to public opinion. the newspapers and radios must not remain "the party's mouthpiece" without making any changes. The citizenry should be allowed to openly criticize the government and the newspapers and radios should be allowed to report on or expose cases of violations of law and discipline and abuse of power involving state employees. Government officials cannot meddle with the business of the mass media under any pretexts.

Recently it has been reported that the CPC is going to hold the 6th Plenary Session of its 12th CPC Central Committee in late September. It is generally believed that mainland journalism will become more liberal after the plenary session.

Not long ago, commenting on a letter written by a reader to criticize by name the topmost local leader, which was published in SHEKOU TONGXUN BAO, Hu Wei, a well-known CPC journalist, described the letter as embodying democracy and being unprecedented in Chinese journalism. Later, the report [as published] won a special Class Journalism Prize in 1985. It is reported that with Hu Wei in charge, the drafting of the country's journalism law is being speeded up. The reform of mainland journalism seems quite inevitable. However, the pernicious influences of traditional despotic ideas and of the principle of "expressing identical opinions" are still a serious problem. One should not be surprised to find many obstacles to the reform of the country's journalism.

LITERATURE WITH REVOLUTIONARY WAR THEMES VIEWED

HK121507 Beijing GUANGMING RIBAO in Chinese 5 Sep 86 p 2

[Report by Pan Renshan: "Cultural Department of the PLA General Political Department and the Chinese Writers' Association Jointly Hold a 'Forum on Literary Creation With the Theme of Revolutionary War'"]

[Text] The PLA General Political Department and Chinese Writers' Association Military Literature Commission jointly held a "forum on literary creation with the theme of revolutionary war" in Beijing from 25 to 30 August. The forum expects a new breakthrough in literature with the theme of revolutionary war.

In their speeches, more than 50 old, middle-aged, and young writers and critics in and outside the army pointed out: At present, China's literary creation with the theme of revolutionary war has made considerably great achievements. However, compared to the long-term magnificent revolutionary wars, such works seem to be lacking in depth and breadth and variation. Great efforts should be exerted to rectify this problem as soon as possible. The participants believe that in order to create good works with military themes, it is necessary to work hard in the following areas:

First, it is necessary to seriously study Marxist concepts on war and outlook on life, and to show respect for historical materialism. In describing the sacred war of resistance against Japan, which involved the life or death of the Chinese nation, as well as the war of liberation, which aimed to overthrow the reactionary rule, we should not describe them with the complicated mentality and pessimistic mood of some people today and arbitrarily make up revolutionary history to meet the needs of "new trends," as this will violate historical materialism. With the advance of the times and the continuous emergence of new things, the concepts of military affairs and literature should also be renovated and developed. However, we should refrain from presenting outmoded old concepts as new.

Second, literature with a military theme is a component part of the history of revolutionary wars. It needs to be rich and colorful. However, the theme of revolutionary heroism must be maintained. The glory brought forth in the battles of revolutionary heroes should be described, but no haloes are needed for heroes by the exaggerated illustration of loftiness and perfection in their personalities. The glorious feats of heroic characters should be depicted from various angles, as well as their peculiar life experience, growth, individuality, inner world, and human relations (including their love life, so that they may become true to life images).

RENMIN RIBAO ON MAO ZEDONG'S READING LIFE

HK100705 Beijing RENMIN RIBAO in Chinese 7 Sep 86 p 5

[Article by Pang Xianzhi: "A Revolutionary Who Read All kinds of Books -- What I Saw and Heard About Mao Zedong's Reading Life"]

[Excerpts] Mao Zedong was great revolutionary as well as a man of great learning. Mao Zedong read books assiduously throughout his life, which had a direct bearing on his revolutionary career.

Love Reading Ardently and Acquire Knowledge Extensively

Mao Zedong was diligent in his studies from childhood and he ardently loved reading. As he grew up, he had a burning thirst for knowledge. In order to increase knowledge, broaden his field of vision, and seek the truth for saving the nation and people, he was often absorbed in reading all kinds of books, including ancient and modern, foreign and Chinese. Even under the adverse circumstances of the revolutionary wars later, he never forgot reading. While in northern Shaanxi, Mao Zedong tried by every possible means to purchase books from the areas under Kuomintang rule. When Mao arrived in Yanan, the number of his books gradually increased and there was a special person assigned to take care of them. His books were first kept in some bungalows not far from his residence. Due to bombs dropped by Japanese airplanes, the books were moved to a safe place in a deep cave. When we withdrew from Yanan in 1947, we abandoned many things. But most of Mao's books, particularly those with his personal annotations and comments, except for a few of them buried on the spot, were moved to Beijing after passing through many places. [paragraph continues]

These books are the most valuable part of Mao Zedong's collection of books and the most valuable material for studying Mao Zedong Thought.

Following national liberation, Mao Zedong had better conditions to read books. When I was assigned to take care of his books in 1950, he had less than 10 shelves of books. After construction of a decade or so, that is, by the time I left the post in the summer of 1966, he had tens of thousands of books. He built up a personal library with a rich variety of books that suited his needs. Apart from the collected works of Marx, Engels, Lenin, Stalin, and Lu Xun, Mao Zedong's library included such famous books and series as the "Encyclopedia of the Yung-lo Period," "The Complete Library of the Four Treasures," "Encyclopedia Sinica," (only part of these books were collected), "Digests of the Four Treasures," "Synthesis of Books and Illustrations of Ancient and Modern Times," and a series of books translated from various languages. The collection of books, though a large one for an individual, could not meet Mao Zedong's needs. He often asked us to borrow books for him from other libraries. When it was time for Beijing Library to issue new library cards in the summer of 1958, we specially applied for one for Mao Zedong. Proceeding from their respect for Mao Zedong, the comrades of Beijing Library gave serial number 1 to his library card.

From social science to natural science, from the works of Marxism and Leninism to the works of Western bourgeoisie, from ancient to modern, and from Chinese to foreign, Mao Zedong's reading covered a wide range, including books and magazines of philosophy, economics, politics, military science, literature, history, geography, natural science, and technology. Take philosophy for example: He read the basic theories as well as the history of Chinese and foreign philosophical thought and philosophy concerning logic, aesthetics, and religion. I would like to explain a bit more about how Mao Zedong read religious works and articles. He paid great attention to the question of religion. He read the classical works including "The Diamond Sutra," "The Liu Zu Temple [Liu Zu Tan 0362 4371 1086] Sutra," and "The Avatamsaka Sutra," which represented the Buddhist sects in China. He also read other works and articles commenting on these sutras. He devoted special attention to the theory of the Chan sect, particularly to the thought of Eminent Tang Dynasty monk Hui Neng the Sixth. Mao Zedong asked us to borrow the "Liu Zu Temple Sutra" for him on several occasions. Sometimes he took the book with him when traveling. This book was compiled by the disciples of Hui Neng after his death. Mao Zedong read almost all the articles on Dhyana's philosophical thought published in the periodicals. He also read the "Bible." Mao Zedong regarded the reading of religious classics as a philosophical matter as well as mass work. He said: I agree with some communists in studying the classical works of Buddhism, Islam, and Protestantism, because it is a question related to the masses. There are many people who profess religion, so how can we do mass work if we do not understand religion at all? On 30 December 1963, Mao Zedong made the following written instruction on a document: "We are ignorant of the world's three major religious sects (Protestantism, Islam, and Buddhism), which exert a great influence on the vast population. We do not have a single research institute led by Marxists in our country engaged in such studies and we do not have any periodical that is worth reading." "There are very few articles written from the viewpoint of historical materialism. The articles issued by Ren Jiyu on Buddhism are already rare, to say nothing of the articles on Protestantism and Islam. Unless we criticize theology, it will be impossible to write the history of philosophy, literature, and the world." Take scientific and technological books for example: Mao Zedong cursorily read books concerning natural science, history of natural science, and technology, and he had a keen interest in biology, astronomy, physics, and pedology. One day in mid April 1951, Mao Zedong invited Zhou Shizhao and Jiang Zhuru to Zhongnashai. Mao told them: I really wish that I could have a 2- or 3-year leave to study natural science. It's a pity that I cannot have such a long vacation. [passage omitted]

Although Mao Zedong's health and eyesight failed as he became old, he never gave up reading and still had a thirst for knowledge. When he recovered from illness in 1973, he discussed the question of philosophy in physics with Yang Zhenning. When his eyesight recovered somewhat in 1975, he reread "The 24 Books of History" and some essays of Lu Xun. He also read periodicals including *ARCHAEOLOGICA SINICA*, *HISTORICAL RESEARCH*, and *DIALECTICS OF NATURE* and asked for copies of *FOSSI* and *ACTA ZOOLOGICA SINICA* in large-type edition. In 1976, he asked for the book "History of China's Science and Technology" (Volumes 1 to 3), written by a Briton named (Joseph Lee). According to Xu Zhongyuan, who took care of Mao Zedong's library at that time, the last book Mao wanted was "Random Notes Made in Rongzhai" (throughout Mao Zedong's reading life, he liked reading this valuable literary sketch the best). The date was 26 August 1976.

In a speech made in Yanan 47 years ago, Mao Zedong said: Even the elderly should learn. If I die in 10 years, I would have 9 years and 359 days to learn. With his own practice, Mao Zedong kept his word made 47 years ago. This great revolutionary and man of learning never ended his uninterrupted reading life until his heart stopped beating.

OFFICIAL DISCUSSES REFORM OF POLICY RESEARCH OFFICES

HK170711 Beijing WENZHAI BAO in Chinese No 345, 7 Sep 86 p 1

[Article by Zheng Yuanjun in Issue No 8 of "LINGDAO KEXUE" (SCIENCE OF LEADERSHIP): "Zheng Lixin Discusses Reform Orientation of Policy Research Offices"]

[Text] In recent years, policy research offices have increasingly "found people's favor" and have been rapidly developing. They offer consulting services to decision-making bodies at all levels, directly participate in and make positive contributions to the formulation of policies and plans. However, many policy research offices, which are in fact something like brain trusts, are now acting as power organs or as secretariats and document drafting groups. This prevents them from performing their normal functions.

What is the development orientation for policy research offices at all levels? How should they promote reform as a product of reform? Comrade Zheng Xinli of the CPC Central Secretariat said that their functions should be defined as the following points:

- They should be information collection and processing centers which help the leading party and government departments formulate, execute, review, and revise policies.
- They should be the policy research centers and consulting centers of the party and government leading departments. They should provide a number of plans for leaders to select them making policy decisions. They should be relatively independent research institutes which consider things on their own and serve the modernization cause rather than catering to the individual leaders' likes and intentions.
- They should be bridges between party and government leading bodies on the one side and research institutes, colleges, and mass organizations on the other side. They should be able to absorb the useful research achievements of experts and scholars in society and include them in the party's policies.

YAN JIAQI URGES CHANGING NAME 'PEOPLE'S CONGRESS'

HK120401 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1445 GMT 11 Sep 87

[Report: "Yan Jiaqi Proposes That 'People's Congress' Be Changed To 'People's Assembly' in the 1990s"]

[Text] Guangzhou, 11 Sep (ZHONGGUO TONGXUN SHE) -- While talking about political structural reform here, noted Chinese expert in political science Yan Jiaqi said: I propose that "People's Congress" be changed to "People's Assembly" and that "People's Deputies" be changed to "assembly members" in the 1990's.

Yan Jiaqi is a director of the Political Research Institute under the Chinese Academy of Social Sciences. He is now attending a large symposium on the strategy for cultural development held in Guangzhou. He said: We should particularly consider the problem of democracy in political structural reform with emphasis on relations between the people and government. He added: Of course, in China today, there is another problem of relations between the party and the government.

Yan Jiaqi stressed: To have a high degree of democratic politics, we should perfect the People's Congress system, so that the People's Congress will truly become an "organ of the state power" in reality as well as in name. The People's Congress system should be characterized by the "participation of citizens," and exercising of power by the people. After the People's Congress is changed into the "People Assembly," it should exercise legislative power and the power of supervising the government.

He said again: Now we should do well in making theoretical preparation for political structural reform. If we lack theoretical preparation, it is difficult to establish a high degree of democracy.

Yan Jiaqi maintained: In traditional Chinese political culture, "ethicizing politics" is the most undesirable thing. Over the past several thousand years, people always tried to ask persons of noble character and high prestige to take up government posts without changing the political structure characterized by overconcentration of power. They pinned their hopes on "honest and upright officials" and "enlightened rulers." During the "Great Cultural Revolution," the hope was placed in "successors."

He stressed: Negating such traditional political culture does not mean that normal character and self-cultivation of leaders can be negated. The most important thing is that we should establish a high degree of the democratic system to ensure that "bad people are unable to run amuck."

SYMPOSIUM REEVALUATES PHILOSOPHY OF PRAGMATISM

OW131253 Beijing XINHUA in English 1051 GMT 13 Sep 86

[Text] Guiyang, September 13 (XINHUA) -- A Chinese philosopher has expressed doubt about certain criticism of the philosophy of pragmatism in the 1950s, XINHUA learned today. In some ways, such criticisms were one-sided, said Fudan University philosophy professor Liu Fangtong.

The criticism was launched against Hu Shi (1891-1962), a chief exponent of the idea in China, who once served as Chinese ambassador to the United States under the rule of the Kuomintang before 1949. During his study in the United States between 1910 and 1917, Hu was a student of William James (1842-1952), a leading pragmatist in America.

Returning to China, Hu began to advocate pragmatism, which was also spread by John Dewey (1859-1952), another American pioneer of pragmatism, during his stay in China between 1919 and 1921.

In the 1950s, pragmatism was criticized as a direct result of the transition of the United States from capitalism into imperialism. "This is not true," Liu said.

When Charles Sanders Pierce (1839-1914), also a chemical engineer, mathematician and inventor, created the theory in the 1870s, he said, he intended to use it as a method of scientific research.

It was only after the United States entered the stage of imperialism toward the end of the 19th century did James and Dewey try to use some aspects of the philosophy to serve the needs of their country's imperialist policies, he told XINHUA.

At a recent symposium on modern foreign philosophies held in Guiyang, capital of Guizhou Province, Professor Xu Chongwen from the Institute of Philosophy of the China Academy of Social Sciences, said that Western philosophies could be useful references for Marxist philosophy. This is because they highlight major problems and changes in natural science, social conditions and people's thinking, he said. As matter of fact, he said, Marxism has developed by absorbing whatever is progressive in the culture of the human race.

Chinese scholars are also re-evaluating other foreign philosophers, such as Friedrich Nietzsche and Sartre, XINHUA learned from the symposium, the fourth held by the Chinese Society of Modern Foreign Philosophies since its founding in 1979.

The society has also published ten collections of foreign philosophical essays and philosophical works in 30 titles, including works in existentialism, pragmatism and eurocommunism, as well as philosophies of the Soviet Union and Eastern European countries.

SONG PING ADDRESSES NATIONAL LAND PLANNING FORUM

OW161140 Beijing Domestic Service in Mandarin 1200 GMT 14 Sep 86

[Text] A national forum opened in Beijing today to discuss the program for comprehensive land planning. The forum was held by the State Planning Commission.

Speaking at the forum, Song Ping, state councillor and minister in charge of the State Planning Commission, pointed out: Developing a plan for land development and management is vital to China's prosperity and the welfare of our future generations.

Song Ping continued: Pursuant to the instructions of the CPC Central Committee and the State Council, the State Planning Commission has organized different types of land surveys in recent years. In addition, it has selected 33 areas with different characteristics to conduct experimental land planning. Last year, the commission began to draw up a national program for comprehensive land planning.

The draft program contains our proposals on the goals and tasks of land planning and management; the general structure of our productive forces; the urbanization of our population; the setup of our cities; the use and management of our land; the harnessing of large rivers; and the use, development, and protection of water resources, forests, and oceans; as well as other matters of concern to the Chinese people, such as environmental protection and the primary regions for development.

Song Ping pointed out: Land development, management, and planning are new things in China. Our current task is to carry out the research of major issues on land development and management and to study the feasibility of our plans. We should strengthen legislative work on land, draw up economic policies on land development and management, and use economic levers to promote the use of land according to plans.

State Councillors Gu Mu and Song Jian attended the forum. Lu Kebai, advisor to the State Planning Commission and director of the National Land Planning Office, explained the draft national program for comprehensive land planning.

Explains Land Development

OW161106 Beijing XINHUA Domestic Service in Chinese 1310 GMT 14 Sep 86

[By reporters Zhu Weixin and Ge Daxing]

[Text] Beijing, 14 Sep (XINHUA) -- China is strengthening its efforts to make an outline of the national program for land development in the country as a blueprint for strengthening land development and control and making overall arrangements for national construction. Song Ping, state councillor and minister in charge of the State Planning Commission, delivered a speech in this connection today. He emphatically pointed out: All the people in the country must cherish the enormous resources and make the best use of the land as well as the resources.

Five years ago, the CPC Central Committee and the State Council made a decision on land development, calling for efforts to make the best use of land in the country. They pointed out: It is necessary to strengthen land development and land control in a comprehensive way, develop the various regions, carry out environmental improvement, and place the main rivers under control. We must strengthen our legislative work and work out the program.

Later, China set up a special organ for land development and did a great deal of work in this connection. With the support of the State Planning Commission, an outline of the national program for land development and control is being drafted recently.

In his speech delivered at today's discussion meeting on the outline of the national program for land development, Song Ping pointed out: For the past 30-odd years since the founding of New China, rapid developments have been made in land development and control in the country. However, due to the lack of a long-range plan as a guidance in economic development, some of the work in land development has been carried out blindly to a certain extent. Some of the practices run counter to natural and economic laws. At present, China's land resources and ecological balance has been seriously undermined. To work out a program for land development, the aim is to harmonize relations between economic development on the one hand and population, resources and environment on the other. This is the objective requirement for promoting China's economic and social developments in the new historical period.

He emphatically pointed out: Although China has a vast territory and rich resources, the level of its per-capita resources is generally lower than the world average. In addition, some of the resources can be regenerated, while others cannot. For this reason, we must help people in the whole country deepen their understanding on land development and control, cherish the resources, protect natural environment and maintain ecological balance as a common practice. Land development and control affect the immediate and long-term interests of all the people in the country. We will attain the expected results, only when all the people in the country join their efforts to do a good job in strengthening land development.

Some people working for the State Planning Commission pointed out: In working out the plan for land development in China, we must persistently carry out reform and create the new; break down the barriers between departments and regions in the development of the economy; act according to natural and economic laws; and formulate tasks and targets for land development on the basis of our national conditions and strengths. In working out this plan, we must adhere to the principle of linking land development with land control. For example, when we build the base area for energy resources with Shanxi as the center, we must emphasize the prevention of soil erosion on the local loess plateau. In addition, we must also stress the need to effect a rational distribution of the productive forces in order to meet the requirements in establishing a system of commodity economy and developing lateral economic ties and achieve the final goal of making the best use of the resources in different regions in the country.

Attending the discussion meeting were Gu Mu, Song Jian, responsible persons of the relevant ministries and commissions under the State Council and the leading comrades of various regions as well as well-known economists and scholars such as Ma Hong, Yu Guangyuan and Tong Dalin.

HU QILI INSPECTS SOUTHERN HUBEI 9-14 SEP

HK151502 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 14 Sep 86

[Text] From 9 to 14 September Comrade Hu Qili, Political Bureau member and secretary of the Secretariat of the CPC Central Committee, made an inspection tour of Hubei and inspected mountain areas in southern Hubei in spite of rain. He pointed out that it is necessary to persevere in reforms, and to further expand economic ties between urban and rural areas. To get rid of poverty and become rich, mountain areas must develop commodity production, give full play to their own strong points, pay attention to developing grass and forestry and to turning natural advantages into real economic advantages, and guide peasants in mountain areas to broaden their vision.

Xianning Prefecture is located in the Mufu Ranges of southern Hubei where 70 percent of the area is mountains, 10 percent rivers and 20 percent land. This is an important base in the province for agricultural, sideline, and native products.

On 10 September, accompanied by provincial party committee Secretary Guan Guanfu and provincial party committee Deputy Secretary Gao Yunlu, Comrade Hu Qili, in spite of the drizzle, drove to inspect tree farms, primeval subforests, bamboo forests, economic combinations and some peasant households in Tongshan, Chongyang, Xianning and Puqi. Throughout the journey, undulating hills and peaks rose one higher than another. The car and the people were moving in mist and rain. Artificial and natural forests were green and luxuriant, with a vast stretch of golden rice paddy among the mountains. Peasants were busy harvesting crops.

In the rain, Comrade Hu Qili, pointing to the vast mountain forests, told the responsible comrades of the provincial party committee: There are many mountains in Hubei, and the mountains here are especially characteristic. There are banks at the top of the mountains and granaries at the foot of the mountains. They have great potential. It is necessary to vigorously develop grass and forests and do our best to turn abundant natural resources in the mountains into commodities and turn potential into reality.

Comrade Hu Qili pointed out that to fully exploit the potential, the key lies in establishing the idea of commodity economy. This area is quite near Wuhan City. People living here can reach Wuhan in 1 to 3 hours by car, so it is inappropriate to block news. It is necessary to develop lateral economic ties. Rural areas must serve urban areas, provide more commodities to urban areas, and enliven the economy. Wuhan City also has a problem of how to play its role as the central city, to expand its influence, and to bring along nearby counties, particularly mountain areas. This is an unshirkable duty of a large city.

On the morning of 13 September, Comrade Hu Qili drove to the (Guihua) tree farm, Chongyong County. When he saw dozens of square kilometers of artificial forests and southern bamboo all over the mountains and plains which covered up the sky and the sun, he was very happy, praising the forestry work here. He also enquired in detail about the diversified economic development of the forest farms. He said: Forestry production takes a long time and yields slow results. It is necessary to pay attention to combining the strong and weak points and to avoid weak points while giving full play to strong points. We must develop forestry production in an all-round way. We must raise cows, sheep, and rabbits, and develop various economic crops, so that they can obtain practical benefits from growing grass and planting trees. Otherwise, they will continue to suffer poverty despite the rich mountains. State-run tree farms have better technology, information and management experience than the peasants. Can you make some experiments in developing diversified economy and making comprehensive use of forests so as to guide nearby peasants in exploiting mountains and enriching themselves?

(Xinxing) Village in (Huawen) Township, Xianning City, has become rich by planting and processing bamboo. There are some 5,000 mu of bamboo in the village. The village earned 400,000 yuan last year by selling and processing bamboo products. The per capita income of the village last year was 700 yuan, of which 70 percent came from bamboo products.

Comrade Hu Qili fully affirmed the experience gained and the methods used by the villagers in properly running mountains and bamboo forests. He also pointed out that people in mountain areas cannot merely rely on selling raw materials, but must develop processing industry and turn the raw materials into commodities. Mountain areas have a strong point in raw materials and natural resources, but are inefficient in turning the raw materials and natural resources into commodities. They must turn their strong points in raw materials and natural resources into strong points in commodity.

During the journey, seeing that some peasants were burning rice straw and cogon grass, Comrade Hu Qili expressed regret, saying that we must try to turn rice straw and cogon grass into meat, poultry, eggs, and milk and must grasp the transformation. Of course there is a technological problem, but what is more important is the problem of information and vision. Party committees and governments at all levels must provide good pre-production and post-production services to peasants, provide them with information, train qualified personnel, and guide peasants to broaden their vision. They must be good at employing talented people from mountain areas.

They can also dispatch some talented people to mountain areas, and help peasants in mountain areas to develop production by providing technology, talented people, and information so that the peasants can get rid of poverty and become rich.

During his 1,000-li inspection in mountain areas of southern Hubei, Comrade Hu Qili saw that many intellectuals and cadres have been fighting all the year round in remote and thickly forested mountain areas, and have made contributions to building the mountain areas. He highly praised them, saying that these comrades have dedicated their youth to the motherland to make the mountains and rivers beautiful. He said that they have written their treatises on the mountains, rivers, and land of the motherland. These comrades must also be respected and commended by the party and the people. He suggested that leaders of the tree farms and local authorities record merits for these comrades and record the fighting deeds of these pioneers so that posterity will know that the Chinese nation has high aspirations and can transform the motherland.

When inspecting Tongshan County, Comrade Hu Qili also met with Comrade Yao Xueyin, a veteran writer who was doing some writing there.

During his stay in Hubei, Comrade Hu Qili also listened to work reports by the provincial party committee and the Wuhan City party committee on reform of the economic structure and the reform of the cadres system; and inspected the (Hanzhen) street small commodity market and the (Xinhe) village trade fair market in Wuhan. He was satisfied with Hubei's work. He said: By the end of this year, the total industrial and agricultural output value of your province will be doubled. This is fast. Reform of the economic structure will inevitably raise demands on the reform of the political structure. The reform of the political structure is not a new issue. Comrade Xiaoping raised this issue in his past speeches. His article on the reform of the system of party and state leadership is our guiding principle in the reform of the political structure. You comrades must earnestly study it and grasp the essence of the article.

Hu Qili said that when we say the reform of the political structure, we mean the reform of the leadership system, not the change of the political system. Our political system is a socialist system, which was gained at the cost of the lives of tens of millions of outstanding sons and daughters of the Chinese nation. This political system is a historical choice made by the Chinese people. When we say reform of the political structure, it means self-improvement of the socialist system. The reform of the political structure involves many aspects. First, it involves streamlining administration, selecting and appointing able and virtuous persons, overcoming bureaucracy, and increasing efficiency. He was very much interested in a new aspect in the reform of the cadres and personnel system in Wuhan city, that is, cadres are ready to work at the top or at the grass roots. He stressed that we must have our own system of appointing, dismissing, assessing, selecting, promoting, and demoting cadres.

DENG XIAOPING WRITES NAME OF YOUTH INSTITUTE

SK140134 Beijing BEIJING RIBAO in Chinese 6 Sep 86 p 1

[Text] The Beijing Youth Political Institute was officially established yesterday. Comrade Deng Xiaoping wrote the name of the institution.

The Beijing Youth Political Institute is a full-day higher educational institute of liberal arts sponsored by the municipal CYL Committee.

On the basis of running municipal CYL schools, this institute was initiated and established in 1985. The main job of this institute is to train specialized CYL cadres, to concurrently train grass roots young party and government cadres and other young social workers, and to sponsor regular and short-term training courses for in-service specialized CYL cadres.

Jin Jian, deputy secretary of the municipal party committee, gave a speech at yesterday's ceremony to mark the opening of the new school term. He expressed the hope that the Beijing Youth Political Institute will become a new socialist institute with clear-cut political features, youth features, and features of the times; will inherit and promote the fine traditions and work style of the municipal CYL schools, and in line with the actual situations in the institute; will study and use for reference the strong points of the domestic party schools and other colleges and universities, and the work methods of some foreign schools that are beneficial to China's schools, and in the spirit of reform; and will be brave to practice, to explore, to blaze new trails, and to open up a new path of its own.

Liu Yandong, secretary of the Central CYL Committee Secretariat; Lu Qinyi, director of the Education Bureau of the Propaganda Department of the Central Party Committee; and Wang Jialiu, member of the Standing Committee of the municipal party committee, also attended the ceremony to mark the opening of the new school term.

FANG YI MEETS ADVISERS TO BIOTECHNOLOGY CENTER

OW161808 Beijing XINHUA in English 1504 GMT 16 Sep 86

[Text] Beijing, September 16 (XINHUA) -- Chinese State Councillor Fang Yi met and feted here this evening a group of Chinese and American advisors to the China National Center for Biotechnology Development. The advisors include Professor Ray Wu of Cornell University, and over twenty other American and Chinese experts on biotechnology. The experts are here attending the third meeting of the Advisory Committee for the National Center, which was set up in 1983.

SONG JIAN RECEIVES STUDENT REPRESENTATIVES

OW161317 Beijing Domestic Service in Mandarin 1100 GMT 15 Sep 86

[Text] The Beijing Institute of Modern Science and Technology organized a group of experts and scholars in Beijing to lecture in Rizhao City, Linyi Prefecture, Shandong, during the summer vacation. The group trained a number of scientific-technological and economic managerial personnel for the Yimeng mountain area. For their service, the group has received a commendation from the State Science and Technology Commission, the Chinese Academy of Sciences, and the China Association for Science and Technology. State Councillor and minister in charge of the State Science and Technology Commission Song Jian recently received representatives of the students who completed the summer training course.

ZHANG JINGFU ON TRAINING OF FACTORY LEADERS

OW151807 Beijing XINHUA in English 1557 GMT 15 Sep 86

[Text] Beijing, September 15 (XINHUA) -- While continuously examining and training state-owned factory managers and directors, attention will be paid to the educational levels of other factory leaders, State Councillor Zhang Jingfu said here today.

This will pave the way for the emergence of new directors, said Zhang at a meeting in his capacity of head of the Guidance Committee for State Examination for Economic Management Personnel. He said, "it is necessary to train and give state examinations to factory managers and directors, most of whom are technical professionals, and raise their ability in organization and management."

According to statistics, more than 104,000 factory managers and directors, including 57,000 from large and medium-sized enterprises, have been trained and examined by the state since 1984. This figure accounts for half of the country's total number of factory managers and directors. "State examinations and training for factory managers and directors will be continued," Zhang indicated. "With the accent on leading officials in large and medium-sized enterprises." While continuing to give examinations and training to factory managers and directors, the Guidance Committee for State Examination of Economic Management Personnel will arrange research and advanced courses for factory directors, chief accountants, chief engineers and communist party secretaries in the next five years, he said.

SONG PING ON CIECC INSPECTION OF MAJOR PROJECTS

OW151801 Beijing XINHUA in English 1530 GMT 15 Sep 86

[Text] Beijing, September 15 (XINHUA) -- Feasibility studies and designs for all major state projects must be evaluated by the China International Engineering Consulting Corporation (CIECC) and other qualified consulting organizations before they are listed in the State Plan, a Chinese official said here today. Song Ping, state councillor and minister in charge of the State Planning Commission, said that the method of "evaluation first and decision-making later" is a major positive step in the procedures of deciding on construction projects, and an important measure taken to improve the economic results from capital construction. It is also in line with the spirit of reform of the political structure and of making decisions democratically and in a scientific way, he added.

Song Ping said this at a meeting to establish a commission of experts under the CIECC. The commission will be a brain trust under the CIECC, composed of 108 experts and scholars in the fields of technology, economy management, law and others. The number will be increased in accordance with its needs. The CIECC, set up in 1982, now has 43 member companies and a number of cooperative units. It is the largest group of consultants in China.

CIECC President Shi Qirong said the corporation has undertaken the task of evaluating over 160 projects this year, including major ones like the Xiaolangdi water-control project on the Yellow River, a sewage treatment project in Shanghai, the Tianshengqiao Hydroelectric Power Station in the Guangxi Zhuang Autonomous Region, a Sino-U.S. joint-venture rolled copper plant and others on energy, communications, raw materials, processing, textiles and light industries. Some projects have changed their original engineering plans, some have made readjustments in construction plans and some have been postponed or cancelled after re-evaluation, he added. According to the statistics on five major projects, they saved more than 270 million yuan (rmb) of investment as a result of taking the CIECC's advice.

The CIECC has registered with the World Bank. It evaluates not only major domestic projects but also foreign ones. It has established contacts with more than 60 engineering consulting organizations, banks and corporations in Australia, Britain, the Federal Republic of Germany, France, Japan, the United States and Hong Kong.

ANHUI PARTY, GOVERNMENT ON REFORM GUIDELINES

OW180459 Hefei ANHUI RIBAO in Chinese 2 Sep 86 p 1

[Excerpts] To correctly handle the relationship between improving party style and eliminating unhealthy tendencies on the one hand and carrying on reforms to invigorate the economy on the other hand, the provincial party committee and the provincial government set forth the following main policy guidelines:

Departments and units at all levels must bear in mind the basic guiding principle of giving priority to reforms and earnestly implementing the general policy of opening to the outside world and invigorating the domestic economy; they should adopt a correct attitude toward problems encountered in the course of reform, overcome old ideas and old concepts that are impeding reform, and support, serve, and take part in reforms; they should continue the effort to improve party style and to eliminate unhealthy tendencies in order to create favorable conditions for reform and promote its healthy development.

Clear distinction should be made between errors committed in carrying out reforms and unhealthy practices. In case errors are committed in work by persons who have truly worked in the interest of the people and the state, due to the lack of proper reform measures and experience, their reform achievements should be properly affirmed. [passage omitted] Whoever tries to take advantage of reforms to seek personal gain must be called to account. [passage omitted]

State enterprises should be encouraged and supported to develop all types of collective enterprises, particularly the tertiary industry, in accordance with the principles of developing a diversified economy while concentrating on one main line of production. Appropriate financial and technical support should be given to collective enterprises run by state enterprises, but state enterprises are not permitted to transfer funds to their collective enterprises or sell them raw and semifinished materials, fuel, and other products at low prices. [passage omitted]

Economic contracts should be strictly adhered to. According to regulations, small state-run industrial and commercial enterprises "may be operated by individuals or collectives of staff members and workers through contracts, leasing, or compensation transfers." Once economic contracts are officially concluded according to state policy and statutes, they must be strictly implemented. There should be penalties for failure to honor contracts. The increased income of staff and workers of an enterprise obtained as a result of concluding economic contracts should be considered their legitimate income. [passage omitted]

In carrying out economic exchanges, enterprises are permitted to hold proper receptions to entertain guests, but are not permitted to take advantage of the opportunity to squander money by presenting gifts, cash, and expensive commodities to them. [passage omitted]

It is necessary to strengthen leadership over rural enterprises, other small collective enterprises, and specialized households. In addition to specific guidance, they should be given greater decision-making power. Interference with their normal production operations are not permitted. These enterprises and specialized households should not be made accountable for economic errors, both past and present, as long as they do not constitute a crime. [passage omitted]

Economic errors committed when there were no explicit regulations should not be measured with the current policy stipulations. Errors committed in the past should be dropped as long as those who committed the errors have raised their understanding, corrected the errors, and drawn lessons from them.

ANHUI LEADERS MOURN DEATH OF CPPCC VICE CHAIRMAN

OW180805 Hefei Anhui Provincial Service in Mandarin 1100 GMT 16 Sep 86

[Excerpts] Comrade Gui Peng, a loyal communist fighter, an outstanding CPC member, and former vice chairman of the Anhui Provincial CPPCC Committee, died at 1227 on 8 September 1986 in Hefei of an illness when he failed to respond to medical treatment. He was 82. Comrade Gui Peng's remains were cremated at the Hefei funeral parlor at 1600 on 15 September.

Attending the memorial service at the funeral parlor were leading comrades of provincial party and government organizations and friends, including Li Guixian, Wang Yuzhao, Shi Junjie, Lu Rongjing, Yang Yongliang, Liu Guangcai, Niu Xiaomei, Zhao Baoxing, Lan Ganting, Cheng Guanghua, Hou Yong, Wang Guangyu, Zheng Rui, Zhao Ming, Li Quingquan, Zhu Nong, Pan Ezhang, Zheng Jiaqi, Chen Tianren, Ma Leting, Ding Jize, Guang Renhong, Li Jixiang, and Meng Yiqi, as well as Li Shinong, Huang Yan, Liu Lianmin, Meng Jiaqin, (Liu Zhenxian), Hu Tan, Zhang Zuoyin, Peng Shengbiao, Zhao Kai, Li Guangtao, Wang Zhaochuan, and (Wei Ran). [Passage omitted]

Condolence messages were received from friends of the late Comrade Gui Peng, from Fang Yi, Zhang Jingfu, Zhang Aiping, Lu Zhengcao, Liu Ningyi, Guo Chunsheng, (Liu Shengyuan), (Ye Renguo), Li Baohua, Liu Jianzhang, Chen Guodong, Xia Zhengnong, Liu Zhiping, Ren Zhibin, Hui Yuyu, Su Yiran, Zhang Ce, Zhu Yunqian, (Zhao Zimin), Liao Chengmei, Li Shiyao, Zhang Canming, Li Futing, Yan Youmin, (Yang Sijiu), Huang Rong, Lai Shaoqi, Zuo Hongtao, (Li Gaichen), Deng Liuji, Zhou Dongping, Sun Xiang, (Xu Xuehan), Xing Zitao, (Huang Tian), (Ni Shiyi), and (Hong Zhilu).

CHEN GUANGYI ON RURAL PARTY RECTIFICATION

OW180555 Fuzhou FUJIAN RIBAO in Chinese 6 Sep 86 p 1

[Excerpts] The Fujian Provincial CPC Committee held a telephone conference on rural party rectification on the evening of 5 September. The central theme was to strengthen leadership over party rectification at the village level, ensure its high standards, and carry out party rectification tasks in an all-round way.

On behalf of the provincial party committee, Jia Qinglin, deputy secretary of the provincial party committee group guiding party rectification, set specific requirements to strengthen leadership over village party rectification. Chen Guangyi, secretary of the provincial party committee, addressed the conference. Zhang Yu, member of the Standing Committee of the provincial party committee and deputy head of the provincial party committee group guiding party rectification, presided over the conference.

In his speech, Comrade Chen Guangyi asked all localities to carry out village party rectification in a down-to-earth manner. [paragraph continues]

He pointed out that this is the best time to concentrate efforts on village party rectification because the busy farming season is over in most rural areas. He said emphatically: The leadership must attach great importance to party rectification at the village level. Successfully carrying out village party rectification and strengthening the building of grass-roots party organizations are important aspects of party building in the socialist period. County and town leadership should concentrate its energy on village party rectification, which should be placed on the agenda of county and town party committees. County party secretaries should personally attend to the work, and deputy secretaries or members of the standing committees in charge of village party rectification should devote all of their energies to the task. Other leaders should also assume responsibilities for the work in their assigned towns and villages. Personnel responsible for village party rectification should be increased. Comrades with a strong sense of responsibility and greater understanding of policies should be assigned to party rectification offices at various levels. The number of liaison and inspection personnel should be increased as soon as possible to meet the needs. Veteran comrades in good health who have stepped down to the second line could be recruited to tour the villages to provide guidance.

Chen Guangyi continued: The leadership must make serious efforts. The scope of village party rectification is broad, and the task is heavy. It concerns policy issues and involves complicated matters. In addition, the period assigned for village party rectification is short. Unless we make serious and concrete efforts, we might miss the opportunity and turn it into a formality. Therefore, we must first give specific guidance instead of issuing vague, general directions. Towns and villages should be grouped according to their conditions in order to adopt appropriate measures. Second, we must use typical cases to analyze the problems and use the experience of selected units to promote work in the entire area. Special attention should be paid to weak links and backward areas. Party branch work is often weak in poor areas. It is therefore necessary to combine party rectification with the work of making poor areas prosperous. It is necessary to make the building of a strong party branch the most important task in village party rectification. Cadres with party membership in the support-the-poor teams should help carry out the party rectification task. Third, we must pay attention to overall planning and use party rectification to promote work in other areas. [passage omitted]

Chen Guangyi emphatically pointed out: We must resolve problems in a down-to-earth manner. The Putian conference has clearly pointed out the problems that need to be resolved in the process of village party rectification. Specifically, we must make use of the "six advantages" and resolve the "four problems." We must take into account the realities of individual towns and villages in deciding the specific problems they need to resolve. We must make determined, serious efforts to resolve the major issues that affect or obstruct local opening and reform, affect the development of rural commodity economy, disrupt unity of the leading bodies, and undermine the building of material and spiritual civilizations in the countryside. We must resolve those things to which the masses object strongly, such as serious violations of law and discipline and abuse of power for personal gains among the cadres. Only when these major issues are satisfactorily resolved can we be sure that party rectification is not turned into a formality.

FUJIAN SECRETARY INSPECTS COASTAL AREAS

OW180824 Beijing XINHUA Domestic Service in Chinese 0046 GMT 15 Sep 86

[By XINHUA reporter Xu Yiming and Central People's Broadcasting Station reporter Shi Min]

[Excerpts] Fuzhou, 15 Sep (XINHUA) — The Fujian Provincial CPC Committee and provincial government recently organized a large fact-finding team to be sent to the coastal areas to conduct investigation and study, expose contradictions, find out where they lag behind, and adopt remedial measures to correct problems so as to promote the process of opening to the outside world and making reform.

To speed up the process of opening to the outside world and making reform, since early July a 700-man fact-finding team organized by the Fujian Provincial CPC Committee and provincial government headed by Chen Guangyi, secretary of the provincial party committee, has gone in separate groups to Fuzhou, Xiamen, Putian, and the Southern Fujian Delta Zone to conduct investigation and study. It has solved practical problems and difficulties which cropped up in the process of opening to the outside world and making reforms that were badly in need of solution. It did so by promoting a common understanding to make progress in work, summing up experience to explore future possibilities, conducting investigation and study while handling cases on the spot, and engaging leading departments and grass-roots units in solving problems. [passage omitted]

Fujian's coastal areas have a fairly well-developed foreign trade. However, in recent years, due to lack of coordination in policies and measures for encouraging exports to earn foreign exchange, the annual growth rate of the export volume has been declining. The fact-finding team and the provincial economic and trade commission have carefully listened to the opinions of grass-roots units and made the following decisions after consultation and study: In foreign trade and export, fewer commodities shall be handled by the provincial authorities in a unified manner, while prefectures and cities shall be allowed to deal selectively in a dozen or so foreign exchange-earning products. In procuring export products, the procedures for approving licenses and handling related matters shall be simplified, the "bureaucratic-business" work style changed, and work efficiency increased. Assistance shall be rendered to establish economically beneficial bases for producing foreign exchange-earning agricultural and industrial products in the Southern Fujian Delta Zone. [passage omitted]

A few days ago, after 2 months of investigation and study, the provincial party committee and provincial government held a discussion meeting in Xiamen on specific opinions and measures dealing with common problems uncovered on the fact-finding trips. At the meeting, Chen Guangyi, secretary of the provincial party committee, said: The open coastal areas should better understand the importance of opening to the outside world, making reform, and earning foreign exchange, and should be good at implementing the current special policies and measures, so as to transform Fujian's economy into an outward-looking, all-inclusive, and benefit-oriented economy as quickly as possible.

JIANGSU'S HAN PEIXIN ATTENDS FESTIVAL

OW190059 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 17 Sep 86

[Excerpt] The Jiangsu Provincial CPPCC Committee and the United Front Work Department of the provincial party committee held a mid-autumn festival get-together of various circles to celebrate the traditional festival of the Chinese people on 17 September in the auditorium of the provincial government building. The participants included Jiang Weiqing, member of the Central Advisory Commission; responsible comrades of the Jiangsu provincial party committee, People's Congress, government, Advisory Commission, and Discipline Inspection Commission, Han Peixin, Shen Daren, Sun Han, Chen Huanyou, Chu Jiang, Wang Bingshi, Zhou Ze, and Xing Bai; and some old comrades who worked in Jiangsu before, such as Bao Houchang, Guan Wenwei, Zhou Yifeng, Zhong Guochu, Wei Youngyi, and Ouyang Huilin. [passage omitted]

SHANDONG'S LIANG BUTING SPEAKS AT ECONOMIC FORUM

SK190910 Jinan Shandong Provincial Service in Mandarin 2300 GMT 17 Sep 86

[Text] After a 6-day session, the provincial work forum on the rural economy concluded at the Nanjiao Guesthouse in Jinan City on 17 September. Attending the forum were leading comrades from the provincial party committee and the provincial people's government, including Liang Buting, Li Changan, Lu Maozeng, Jiang Chunyun, Liu Peng, Gao Changli, Ma Changgui, Ma Zhongchen, and Zhu Qimin; and responsible comrades from various cities, prefectures, and the provincial level departments concerned.

The central topic for discussion at the forum was the issue of how to further develop township and town-run enterprises, how to enliven commodity circulation, and how to accelerate the pace of developing the commodity economy in rural areas.

During the forum the participants from various cities, prefectures, and departments put forward many favorable opinions. At the plenary session on the afternoon of 17 September, Comrade Liang Buting delivered a speech.

In his speech he stated: Our province has witnessed a fundamental change in the rural situation over the short period of the last few years. The problem in which peasants are without enough to eat and to wear has been basically dealt with. The rural economy has begun to rid itself of the inflexible condition of the natural economy and to enter a brand new stage. At present, the township and town-run enterprises have become the main pillars of the rural economy. Along with the further, steady, and deep improvement of the drive to conduct reforms, they will certainly become an important component of the national economy as a whole. Therefore, various industries and trades should smash their outdated fetters in the fields of guideline, task, policy, and system, gain new experiences, find new roads, and place their work of supporting the development of township and town-run enterprises on their work plans, service targets, and the schedule of their leadership. Efforts should be made to regard the work as an emphasis of strategies.

In his speech Comrade Liang Buting pointed out: Township and town-run enterprises have their own characteristics. Therefore, they must pave their own ways for development. By no means should they follow the practices of the state enterprises that depend on the state in doing everything.

In line with this principle, participants at the forum have discussed and revised the provisions on further developing township and town-run enterprises. They have also formulated some policies on relaxing the restrictions and enlivening commodity circulation within the capability of the province's latent power and financial sources. Localities and departments throughout the province should earnestly implement these policies and adequately deal with their problems ridding up in implementing these policies.

In his speech Comrade Liang Buting also pointed out: We have lagged far behind in truly enlivening commodity circulation and relaxing restrictions. Meanwhile, we have witnessed a phenomenon in which management in this regard has not been carried out realistically and successfully. The clog of commodity circulation still constitutes a main contradiction. The fundamental key to making a success of enlivening commodity circulation lies in establishing the lateral channels of economic associations, curtailing the number of intermediate links, and making direct contacts between producers and sale firms. Efforts should be made to establish a stable system of regulating markets, which is in conformity with the commodity economy in rural areas. Both relaxing the restrictions on commodity circulation and conducting management over commodity circulation should be carried out along with the drive to conduct reforms. Therefore, it is imperative for us to display a bold spirit in relaxing the restrictions on circulation and also to organize or guide the work of regulating markets in an effort to reduce our blindness in this regard as much as possible. The departments of commerce and supply and marketing should also accelerate their pace in conducting reforms in order to suit their work to the new situation in developing commerce. Communications and transportation are important means in successfully enlivening the commodity circulation. To make a success in this regard, it is imperative to do a good job in grasping communications and transportation.

In his speech Comrade Liang Buting emphatically pointed out: In developing township and town-run enterprises, enlivening commodity circulation, and engaging in each undertaking, we can do nothing without the support of agriculture. The basic position of agriculture in the national economy as a whole is unshakable. Therefore, it is necessary for us to attach importance to industries and to enhance production in agriculture, as well as to make all-out efforts to reinforce agriculture, the foundation of the national economy. Only by doing a good job in making overall arrangements for various work and fostering a relaxed and harmonious social circumstance can we accelerate our pace in rapidly developing the commodity economy in rural areas.

The two documents discussed and revised by the participants at the forum with regard to accelerating the pace of developing township and town-run enterprises and enlivening commodity circulation in rural areas will be put into effect by the provincial people's government, which will publish them after the forum.

WANG FANG AT ZHEJIANG POLICE ACADEMY OPENING

OW181405 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 17 Sep 86

[Text] The Zhejiang No 2 People's Police Academy, a secondary specialized school for training specialized state security personnel, held a ceremony marking its founding and opening in Hangzhou this morning. Wang Fang, secretary of the Zhejiang Provincial CPC Committee, attended and addressed the ceremony. Responsible persons of the Ministry of State Security attended the ceremony. Zhong Boxi, Hangzhou Mayor, and responsible persons of the Zhejiang Provincial State Security Departments of Fujian, Liaoning, and other provinces and municipalities also attended the ceremony.

HEILONGJIANG SECRETARY AWARDS FLOOD COMBATANTS

SK190219 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 18 Sep 86

[Excerpts] On 18 September, the provincial party committee and the provincial government held a meeting in the Beifang building to commend and award 52 model collectives and 3 million model individuals who emerged from the 1986 flood-combating and rescue work.

Giving medals and awards to the model collectives and model individuals were leading comrades of the provincial party committee, the provincial People's Congress, the provincial government, the provincial Military District, and the PLA units stationed in the province, including Sun Weiben, Hou Jie, Li Jianbai, Zhou Wenhua, Zhang Xiangling, Wang Yusheng, Wang Lianzheng, Li He, Wang Fei, Shao Zhao, Dong Yisheng, and (Zhang Jishen). Governor Hou Jie delivered a speech at the meeting. [passage omitted]

Leading comrades of the units, including a certain army group stationed in the province, the Dalian City people's government, and the Harbin City people's government, also delivered speeches at the meeting. Representatives from the units, including the Ministry of Water Resources and Electric Power and the [words indistinct] commission, attended the meeting.

HEILONGJIANG BEGINS RECRUITING NEW SOLDIERS

SK160603 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 15 Sep 86

[Text] Our province will begin to carry out the conscription work of 1986 on 10 October. Ensuring the quality of enlisted men is the central task of the conscription task this year.

According to the resolutions adopted at the provincial conscription work meeting concluded on 15 September, the number of enlisted men in 1986 will show an increase over that in 1985. Those who will be recruited this year will be rural youths who are the members of households which have excess labor forces and the graduates from junior middle schools or higher institutions. Those in urban areas who will be recruited this year will be the 1985 or 1986 graduates from senior middle schools, including the senior vocational school graduates. Enlisted women of 1986 will be only the 1986 graduates from senior middle schools. The province will also recruit some young workers among the industrial and mining enterprises, whose cultural standard is at the senior middle school level.

The provincial conscription work meeting urged various localities to vigorously publicize the military service law and to educate all young people old enough to join the army to consciously serve in the army in line with the law. Efforts should be made to enhance physical examination, to do a good job in enabling the military subdistricts to guarantee the quality of recruitment and ensuring political soundness, and to resolutely guard against the recruitment of all ill-behaved youths. Those who violate the policy and provisions on the conscription work and commit malpractices will be held responsible for their misdeeds and their higher authorities will also be investigated and affixed the responsibility for these misdeeds.

The province will begin recruiting new soldiers on 10 October this year and, effective 10 November, it will begin sending the newly enlisted men to the PLA units.

PRESIDENT CHIANG ADDRESSES KMT COMMITTEE

OW170345 Taipei CHINA POST in English 11 Sep 86 p 12

[Text] To thwart Chinese Communist schemes aimed at dealing a severe blow to and dividing the Republic of China, President Chiang Ching-kuo yesterday called on the nation to be unified, to strengthen itself and to walk its own path.

"The final victory will be ours," the president declared.

Chiang made the statement in his capacity as chairman of the Kuomintang [KMT] while addressing the Central Standing Committee of the KMT.

Lately, the Communists have been stepping up their united front tactics, the president said.

The united front tactics of the enemy are not so formidable, he said.

The main problem is losing sense of direction, the president added.

At present, the most important task, Chiang said, is to improve solidarity and stability in the country.

"Whosoever destroys internal solidarity shall in effect harm our country and ruin our future," he was quoted as saying.

Fence Mending

Shortly after the KMT Central Standing Committee meeting, President Chiang summoned Hsu Sheng-fa, the new deputy secretary-general of the Policy Coordination Committee of the Central Standing Committee, and questioned him on the aborted talks between the ruling party and nonpartisans.

In the next few days, Hsu is to call on independent academics who have moderated talks between the ruling party and the nonpartisans.

Hsu was one of two KMT representatives who participated in the talks with the nonpartisans earlier this year.

Meanwhile, the president reiterated that emphasis should be given to equal distribution of wealth.

"Equal distribution of wealth and equal access to education are the pillars of economic development," the president was quoted as saying.

The president directed the authorities to pay more attention to accomplishing equal distribution of wealth in the future.

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Addresses Session on Namibia

OW182026 Beijing XINHUA in English 2022 GMT 18 Sep 86

[Text] United Nations, September 18 (XINHUA) — Chinese State Councillor and Foreign Minister Wu Xueqian reiterated at the special U.N. General Assembly session this morning that the Chinese Government and people firmly support the Namibian people in their struggle for national independence.

He also reaffirmed support for the struggle of the South African people for racial equality and the independent countries in Southern Africa for safeguarding their state sovereignty and security. He proposed that this special session urge the Security Council to apply effective sanctions against the South African authorities in accordance with the relevant provisions of the U.N. Charter.

Wu said, "Though colonialism as a system has already been dumped in human history, its remnants, to our great indignation, have not disappeared completely from the world arena. While practising apartheid at home, the South African authorities have clung stubbornly to their colonial rule over Namibia up to the present day, that is, the 1980s of the 20th century."

After recalling the efforts made by the United Nations in the past 20 years for a solution of the Namibian question and for an end to the continued illegal occupation of Namibia by South Africa, Wu said the perverse acts of the South African authorities have seriously undermined peace and stability of southern Africa and constituted to world peace and stability of southern Africa and constituted a threat to world peace and security. He stressed that at no present, the main obstacle to Namibia's independence is the so-called "linkage" formula, i.e. to link Namibia's independence with Cuba's troop withdrawal from Angola. The "linkage" formula is, he said, in fact, an attempt by the South African authorities to deliberately create confusion and find a pretext for delaying the implementation of resolution 435 of the Security Council. The Namibian people, the African countries and the international community have categorically rejected and sternly condemned this formula, and most Western countries have also explicitly expressed their disapproval, Wu said.

It should be pointed out, the Chinese foreign minister said, that Namibia's independence is one thing while the withdrawal of Cuban troops from Angola is another. Linking them together will only further complicate the question of Namibia's independence and prolong and deepen the sufferings of the Namibian people, he added.

The Chinese foreign minister said that over a long period of time, the Namibian people have waged unremitting struggles against the South African authorities' illegal rule and for winning national independence. Under the leadership of the South West Africa People's Organization, they have strengthened their unity, overcome numerous difficulties, continuously tried and carried out various forms of struggles in line with their national conditions and made significant headway in many fields, he said. They have thus created a very favourable political situation in their struggle for national independence.

He said the struggle of the Namibian people is an important component part of the southern African people's struggle against South Africa's racism. It is also inseparable from the cause of the people of all countries for safeguarding world peace.

After recalling the firm support expressed by the recent OAU and non-aligned summit meetings for the just struggles of the Namibian and South African peoples, Wu said a new high tide of a global scale is surging up in the movement to support the just struggles of the Namibian and South African peoples and oppose the racist policy and colonial rule of the South African authorities. More isolated than ever before, he said, the South African authorities have become the target of public condemnation.

The Chinese foreign minister said it is the trend of the times and the common desire of the people to effect a prompt and just settlement of the Namibian question and bring about independence for Namibia in accordance with the relevant U.N. and Security Council resolutions. The South African authorities must totally renounce their policies of colonialism, racism and destabilization of the neighbouring countries, immediately and unconditionally implement Resolution 435 of the Security Council, and put an end to their illegal occupation of Namibia so that the Namibian people can achieve national independence according to their own will, he noted.

The Chinese foreign minister promised that it has always been and will continue to be a basic national policy of the Chinese Government to strengthen its solidarity and cooperation with African countries and support the African people's struggles. Whether in their struggles to oppose imperialism, colonialism and racism and win and safeguard national independence, or in their post-independence struggle to develop the national economy and achieve economic independence, the Chinese Government and people have unswervingly stood by the African countries and people and provided them with assistance and support to the best of our capability, he said.

He went on: On the other hand, the Chinese Government and people have always highly evaluated and deeply appreciated the help and support the African countries and peoples have extended us in international affairs and economic development. He reiterated that the Chinese Government and people firmly support the Namibian people in their struggle for national independence and support the just struggle of the South African people for racial equality and the independent countries in Southern Africa for safeguarding their state sovereignty and security.

He said that the international community should exert greater pressure on the South African authorities while providing more effective political, moral and material support to the Namibian people. While strongly condemning once again the South African authorities for their obduracy, this special session should, in response to the universal demands and opinions of the international community, urge the Security Council to apply effective sanctions against the South African authorities in accordance with the relevant provisions of the Charter of the United Nations.

He expressed the deep conviction that with the strong support of the African countries and the international community, the people of Namibia will ultimately win their national independence and freedom, so long as they strengthen unity among all the patriots, win over all the forces that can be won over to form the broadest united front against the South African colonial rule, adopt policies and guidelines suited to the present stage of struggle and carry out diversified forms of struggle.

Terms Arms Sales 'Fabrication'

OW191910 Beijing XINHUA in English 1903 GMT 19 Sep 86

[Text] United Nations, September 18 (XINHUA) -- United Nations Secretary-General Javier Perez de Cuellar said today that Hanoi must be urged to present a definite timetable for the withdrawal of Vietnamese troops from Kampuchea. At a luncheon he held in honor of the Chinese Foreign Minister Wu Xueqian, the secretary-general said that as Vietnam has agreed only to conditional troop withdrawal, further steps must be taken.

Wu called Western press reports about China's sale of arms to Iran a groundless fabrication. "China's position on the war between Iran and Iraq is consistent," he said. "We hope that Iran and Iraq will find an early settlement through negotiations on terms acceptable to both sides."

Wu said China supported Perez de Cuellar's bid for a second term of office and reinvited him to visit China next year, a trip the U.N. chief put off because of heart surgery early this year. They also discussed the current U.N. financial crisis.

Attends Kissinger Banquet

OW191148 Beijing XINHUA in English 1105 GMT 19 Sep 86

[Text] United Nations, September 18 (XINHUA) -- Former U.S. Secretary of State Henry Kissinger gave a banquet in New York this evening in honor of Chinese Foreign Minister Wu Xueqian, who is here attending the 41st Session of the U.N. General Assembly.

At the banquet, Kissinger and Wu exchanged views on strengthening Sino-U.S. relations and on international issues of common concern. Among the Americans attending the banquet were Deputy Secretary of State John Whitehead and permanent U.S. Representative to the U.N. Vernon Walters.

Earlier today, Foreign Minister Wu met the foreign ministers of India, Mozambique and the Congo at the U.N. headquarters.

Meets GDR, Cuban Counterparts

OW200236 Beijing XINHUA in English 0158 GMT 20 Sep 86

[Text] United Nations, September 19 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian met foreign ministers of Democratic Germany and Cuba here this morning.

In a friendly atmosphere, the Chinese foreign minister exchanged views with Oskar Fischer, Democratic German foreign minister, on the up-coming visit to China by Democratic German leader Erich Honecker as well as other issues including disarmament that the 41st Session of the U.N. General Assembly will be discussing.

At a separate meeting with Cuban Foreign Minister Isidoro Malmierca Peoli, Wu exchanged views with his Cuban counterpart on the question of Namibia.

Fetes UN Delegates

OW201132 Beijing XINHUA in English 1058 GMT 20 Sep 86

[Text] United Nations, September 19 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian held a reception at the Chinese mission to the U.N. tonight to honor delegates from various countries participating in the 14th United Nations special session on the question of Namibia.

Reception guests, especially those from African countries, praised Wu for his speech on behalf of the Chinese Government yesterday to the U.N. General Assembly and spoke highly of the Chinese Government's consistent policy of supporting the Namibian people in their just struggle for independence.

Among the guests were Humayun Rasheed Choudhury, president of the 41st U.N. General Assembly and foreign minister of Bangladesh, the foreign ministers of Tanzania, Zimbabwe, Zambia, Poland and Yugoslavia, and about 50 heads of delegations to the special U.N. session and permanent representatives to the United Nations.

BEIJING COMMENTARY ON U.S., USSR SPACE WEAPONS

OW191221 Beijing in English to North America 0000 GMT 19 Sep 86

[Qin Yan commentary]

[Text] It is natural in a duel between two men fighting with spears that both would want to be the first to get a shield. Whoever managed to do so would very likely be the winner. The United States and the Soviet Union now stand face to face with nuclear spears in hand. Both are trying to get ahead of the other in the race to seize the shield. Efforts to improve those nuclear spears are of course continuing. Both superpowers are working hard to develop the range, destructive power, accuracy, and other characteristics of their weapons. This is no easy job, since not much room for improvement is left after several generations of increasingly sophisticated nuclear weapons.

Both superpowers also possess enough nuclear warheads to destroy their rivals many times over. It would be virtually impossible for one side to break the current balance simply by increasing the size of its arsenal or its destructive power. That's why the two global rivals are turning to research on strategic defense systems.

The Soviet Union took an earlier lead in this effort. It long ago set up an antiballistic missile defense system around Moscow, and it was the only one in the world at that time. The Soviet Union has devoted large amounts of facilities, money, and labor to perfecting this system. The Soviet military recruited 10,000 scientists and engineers, organized half a dozen research institutes, and spent the equivalent of more than \$1 billion a year simply for experiments on directional energy beams. Some experts believe the Soviets will be able to set up antisatellite laser weapons by the 1990's.

The United States got off to a late start, but it's trying to catch up by taking longer strides with its Strategic Defense Initiative. This is aimed at establishing a complete defense system based on outer space by the end of this century and the beginning of the next. This system would use directional energy, microelectronics, and other sophisticated weapon technologies. The weapons competition between the United States and the Soviet Union is ascending from the earth's surface to outer space, from devastating nuclear bombs to precision energy beams.

It is not difficult to imagine what could happen if one of the superpowers appeared on the brink of acquiring a strategic defense system. It's doubtful the other would be content to accept such a distortion of the current balance. War could well be the bitter fruit harvested from attempts to build an impervious nuclear shield.

DELEGATE SPEAKS AT URUGUAY GATT TALKS

OW180750 Beijing XINHUA in English 0734 GMT 18 Sep 86

[Text] Punta del Este, Uruguay, September 17 (XINHUA) -- A leading Chinese trade official said here today that China wants to participate fully in the new round of multilateral trade negotiations, in order to make due contribution to world trade liberalization.

Speaking at the ministerial conference of the General Agreement on Tariffs and Trade (GATT) today, Shen Jueren, head of the Chinese delegation to the meeting, said that China is pursuing a policy of opening to the outside world and the aim of China's economic restructuring is to establish a new type of economic system that integrates planning with market mechanisms and accommodates itself to the objectives of GATT. He told the delegates that the Chinese Government had applied for the resumption of its status as a contracting part to GATT. "We believe that China's resumption of membership in GATT will be in the interest of not only China but also other contracting parties. It will also contribute to the strengthening of the multilateral trading system," he explained.

Shen said that China supports the launching of a new round of multilateral trade negotiations, which he described as a top priority for GATT. The principle of differential and more favorable treatment for developing countries should be reflected throughout the negotiations as these countries are now plagued with deteriorating trade terms and mounting debt burdens, he said.

Shen called on all countries, the developed nations in particular, to curb protectionism. China hopes, he said, that the new round can do something to improve agricultural trade and eventually bring the trade in textile and clothing under multifibres agreement now into the GATT disciplines. Shen said that in service sector, a fast growing worldwide industry, "the developing countries now are lagging far behind the developed countries, it is, therefore, necessary for the developing countries to give appropriate protection to their service sectors in conformity with objectives of their economic and social development."

Another important subject to be discussed in the new round is GATT's safeguards and dispute settlement mechanism, the Chinese delegate said. "We hold that a comprehensive understanding should be reached on safeguards in accordance with the MFN (most favored nation) and non-discrimination principles of GATT."

GATT, created in 1946, is a world body devoted to the liberalization of world trade and the settlement of disputes among trading partners. Its membership has grown from 23 in 1948 to the present 92 members, which represent more than 80 percent of the world trade.

The current ministerial conference at the seaside resort in Uruguay is being held to launch a new round of trade negotiations, the eighth since the GATT came into force 28 years ago.

ECONOMIC MINISTER VIEWS TRADE LINKS WITH U.S.

HK210253 Beijing XINHUA Hong Kong Service in Chinese 0120 GMT 21 Sep 86

[Text] Beijing, 21 Sep (XINHUA) -- Zheng Tuobin, minister of foreign economic relations and trade, recently pointed out in an article in the magazine "ZHONGGUO DUIWAI MAOYI" [CHINA'S FOREIGN TRADE] that American businessmen have now entered the front rank of the world's countries and regions in investment in China, both in total volume of investment and in the number of projects. However, the results achieved by the two sides have not yet reached an ideal level, considering the potentials of the two countries.

He says that Sino-U.S. trade started from virtually zero in 1972. The United States has now leapt up to become China's third largest trading partner. From 1979, when diplomatic relations were established, to 1985, direct Sino-U.S. bilateral trade totalled \$35.3 billion; last year the volume was \$7.3 billion, a record. By the end of last year, the total value of investment contracts involving U.S. businessmen in China exceeded \$2.1 billion, and 130 Sino-U.S. joint ventures were approved, representing 5.7 percent of the total of all Sino-foreign joint ventures.

Zheng Tuobin points out that Sino-U.S. joint ventures, cooperative prospecting for offshore oil, oil exploitation projects, and enterprises wholly owned by U.S. businessmen have all displayed very good economic results. The fields of cooperation in tending towards medium and large scale projects.

Zheng Tuobin says that although Sino-U.S. economic and trade ties are not yet completely ideal, their development momentum is good. He is optimistic about future developments in Sino-U.S. economic and trade ties.

However, Zheng Tuobin also points out that there are obstacles and difficulties affecting the development of Sino-U.S. trade. Therefore, taking further action to check and eliminate these obstacles and overcome these difficulties is a common task facing China and the United States. Tremendous efforts will be required of both sides.

He says that in making these efforts, the following points are particularly important: 1) Speed up the elimination of negative factors in U.S. legislation that affect bilateral economic and trade relations. 2) The two sides should actively promote the balanced development of Sino-U.S. trade. 3) The two sides should further raise the level of economic and technological cooperation. 4) The two sides should vigorously step up cooperation and create still more favorable conditions for stimulating U.S. businesses to invest in China.

He says, we hope that the Sino-U.S. agreements on avoiding double taxation and preventing tax evasion, which have already been signed, can come into effect as soon as possible; we hope that the process of negotiating an agreement on protecting Sino-U.S. investment will be speeded up; and we would also like to make common efforts with people of insight and our friend in U.S. business circles to achieve still faster progress in investment cooperation between the two countries.

RENMIN RIBAO ON U.S. ATTITUDE TOWARD UN

HK181548 Beijing RENMIN RIBAO in Chinese 16 Sep 86 p 6

["Random Notes" by Sai Bei: "The Value of the United Nations"]

[Text] On the eve of the 41st UN General Assembly, the Heritage Foundation of the United States issued a report demanding the United Nations take practical measures to reform itself and said that, otherwise, the United States will continue to reduce its financial support to the United Nations, and will even come to the conclusion that the "U.S. membership in the United Nations is without any significance both at home and abroad." According to the ASSOCIATED PRESS, the Heritage Foundation has been maintaining a close relationship with the U.S. Government. Therefore, publication of this report "reflects" the views of many U.S. Government officials and Republicans in the U.S. Congress.

When the United States unilaterally decided to reduce the percentage of its UN membership dues from 25 to 20 percent, the Heritage Foundation published this report. It seems that the two incidents are not coincidental.

The United Nations was founded under the sponsorship of the United States. Over the past 40 years or so, along with the development of the international situation, the number of member-states in the United Nations has increased from a dozen countries or so at the time the organization was founded to more than 150 countries at present. Today, the United Nations has become a common rostrum for various countries in the world which have different social systems, different standards of economic development, and different degrees of influence in the world. On this rostrum, various countries in the world have a chance to assemble together to discuss many urgent questions and voice their views on the rights and wrongs regarding the safeguarding of world peace and the promoting of international economic development. The founding of the organization and its work over the past 40 years or so have reflected the enormous changes that have taken place in international affairs in the post-war years, and also the future development trend of the world situation. It is because of this that the value of the United Nations cannot be underestimated.

However, the United Nations is not yet perfect enough and it needs improvement. Some defects of the United Nations, or some problems which are perceived by the United States to be defects of the United Nations, have actually not been caused by the United Nations itself, but are a reflection of contemporary international politics in the United Nations. For example, the problems concerning the implementation of some of the resolutions passed by the UN General Assembly simply cannot be solved by the United Nations alone. The reason that some countries have been criticized in the United Nations is not because of the mere existence of the United Nations. Even if there had been no such organization called the United Nations, these criticisms would still have appeared. So, improving the United Nations relies on consultations among the member-states through democratic methods. Making accusations against the organization or threatening to withdraw from the organization is not a good way to solve the problems.

A senior research fellow at the Heritage Foundation said that the original purpose of the Heritage Foundation's report was not to express hostility toward the United Nations nor to urge the United States to withdraw from the United Nations. If such were the case, the situation would still not be bad, for different views and opinions can be heard in any place at any time. Since the United States considers itself a democratic country, wouldn't it be better for the United States to discuss with other member-states through democratic means how to improve the United Nations?

XINHUA CITES TALYZIN REMARKS ON SINO-SOVIET TIES

OW210716 Beijing XINHUA in English 0702 GMT 21 Sep 86

[Text] Moscow, September 20 (XINHUA) — Sino-Soviet relations have developed "remarkably" in recent years, Soviet First Vice-Premier Nikolay Talyzin told the government newspaper IZVESTIYA.

Talyzin, who paid an official visit to China from September 7 to 14, made the remarks in an interview with the paper's correspondent in Beijing at the conclusion of his visit. IZVESTIYA published the interview today.

Talyzin said that contacts in various fields have been expanded and political consultations between the two governments are being held regularly. "Significant achievements" have been scored in trade, Talyzin said. The total value of Sino-Soviet trade reached 1.6 billion rubles (about 2.4 billion U.S. dollars) in 1985, and it is expected to grow higher in 1986 as the two sides want to further the cooperation, he said.

We do not define cooperation only in terms of trade, Talyzin said, but will also adopt new measures of cooperation based on production and joint utilization of natural resources. The potential in Sino-Soviet relations is far from being fully tapped, Talyzin said, adding that his meetings with Chinese leaders will give new impetus to development of the relations.

LIAOWANG ON SINO-SOVIET ECONOMIC RELATIONS

HK180917 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 37, 15 Sep 86 p 32

[Article by Jin Jiang: "Recent Development of Sino-Soviet Economic Relations and Trade"]

[Text] In the 1980's, trade and economic and technological cooperation between China and the Soviet Union has been restored and is developing rapidly. From 1981 to 1985, the total volume of trade between the two countries reached some 10 billion Swiss francs, a figure greater than the total volume of the 1970's. In particular, the total volume of bilateral trade in 1985 reached 4.6 billion Swiss francs, marking a new record for the past 25 years. According to China's foreign trade statistics in 1985, the Soviet Union was the sixth largest trading partner of China's after Japan, Hong Kong, the United States, the FRG, and Singapore.

Sino-Soviet trade is based on mutual benefit, and each side exports goods needed by the other. Raw materials and primary products accounted for about 70 percent of the export goods, and the remaining 30 percent were manufactured goods and finished products. China imported mainly steel products, pig iron, nonferrous metal, platinum, timber, urea, chemical products, airplanes, automobiles, and machine parts from the Soviet Union; and mainly exported tungsten ore, soybeans, corn, peanuts, meat, apples, oranges, tea leaves, textile goods, sneakers, and thermos flasks to the Soviet Union. In recent years, China has also begun to export vehicle batteries and all kinds of hand tools to the Soviet Union.

In 1985, when Chinese Vice Premier Yao Yilin visited the Soviet Union, the two sides signed a long-term agreement on trade between the two governments from 1986 to 1990 and an economic and technological cooperation agreement on building new and transforming old industrial projects in China. [paragraph continues]

It is expected that in the next 5 years, trade and economic cooperation between China and the Soviet Union will continue to develop steadily, and the scope and forms of cooperation will be expanded.

This the first year for implementing the above-mentioned agreements, and the two sides have made joint efforts and have made a good start. The inspection and site survey of the 24 new projects and transformation projects have been basically completed, and the 1986 trade agreement signed in light of the long-term trade agreement has also been successfully carried out. Transport of import and export goods between the two countries has improved. Along with railway, highway, and sea transport, river transport has also been restored between the two countries, with China's Tongjiang Port and the Soviet Union's Jevreninskoye Port being opened to each other's export goods. This has further consolidated the foundations of and improved the conditions for Sino-Soviet trade.

It is worth mentioning that since 1983, China's Heilongjiang Province and Nei Monggol Autonomous Region have rapidly developed local border trade with the Soviet Union. Between 1983 and 1985, the total volume of border trade between these two provinces and the Soviet Union reached 140 Swiss francs. On the Soviet side, the regions involved in border trade with China include Khabarovsk (Boli), the coastal region, Amurskaya Oblast, Buryatskaya Autonomous Republic, Sakhalin Oblast, and Irkutsk Oblast. In addition, according to an agreement concluded by China and the Soviet Union on 23 January this year, China's Xinjiang Province has also begun its border trade with five Soviet republics, namely, Kazakh, Kirghiz, Tadzhik, Turkmen, and Uzbek and with the Soviet Union's Krasnoyarsk Oblast, Altay Border District, and Kemerovo Oblast. In August, Xinjiang sent its trade delegation to hold the first exhibition of sample goods in Alma Ata. The Soviet departments concerned warmly received the Xinjiang delegation and made favorable comments on the exhibition. Through friendly negotiations, the two sides concluded several import and export contracts.

The smoothly developing local border trade between China and the Soviet Union has become an important complement to the governmental trade between the two countries. This trade not only helps develop the economy of the border areas of the two countries, but also consolidates friendship between the people in the border areas.

Sino-Soviet trade and economic relations have been developing satisfactorily for the past 5 years. People in the economic and trade circles of the two countries generally hold that there is great potential for the future. So long as the two sides continue to make joint efforts, they can certainly tap this potential and develop their trade and economic relations. At present, the scale of trade and economic cooperation between China and the Soviet Union is not big enough, and the variety of cooperation is not rich enough. For example, cooperation production, joint ventures, compensation trade, processing of imported materials, project contracts, labor service cooperation, and other forms of cooperation have not been adopted in China's economic intercourse with the Soviet Union. The two sides will experiment with and study these forms of cooperation.

JILIN RIBAO NOTES RELATIONS IMPROVEMENT

SK140147 Changchun JILIN RIBAO in Chinese 2 Sep 86 p 3

[Text] During the first half of 1986, the PRC and the Soviet Union have traversed one by one the following milestones in their relations.

1. The PRC has announced the holding of a large-sized trade fair in Moscow in July this year. This is unprecedented in the past 25 years.
2. Both the PRC and the Soviet Union have agreed to expand commercial relations along the vast border areas in the Xinjiang Autonomous Region.
3. An agreement has been made by the two countries with regard to establishing consulates in Shanghai Municipality and Leningrad City.
4. An agreement has been made by the two countries with regard to establishing offices of a shipping company in Shanghai Municipality and Odessa City.
5. The Soviet Union has agreed to dispatch several hundred experts to help the Chinese units modernize the several hundred pieces of large-size equipment that were set up by the Soviet Union under the aid program in the 1950's.
6. Bilateral trade plans have been newly formulated or expanded again.

JOURNAL COMMENTS ON GORBACHEV'S VLADIVOSTOK SPEECH

HK160917 Beijing SHIJIE ZHISHI in Chinese No 17, 1 Sep 86 p 3

["Short Commentary" by Shu Ping: "Action Is the Key"]

[Text] On 28 July, Mikhail Gorbachev, general secretary of the CPSU Central Committee, made an important speech on the Soviet Union's domestic and foreign policies in Vladivostok (Haishenwei), the Soviet Union's port city. His speech broadly discussed the situation in the Asian-Pacific region, the Soviet Union's position on an Asian security system, Sino-Soviet, U.S.-Soviet, and Japanese-Soviet relations, and the Afghan and Cambodian questions.

Compared with past speeches made by Soviet leaders and speeches made by Gorbachev himself, Gorbachev's speech at Vladivostok contained something new on Sino-Soviet relations. The Chinese side welcomes this change.

In his speech, Gorbachev announced that the Soviet Union 'is presently discussing with the leaders of the Mongolian People's Republic the question of withdrawing a large number of Soviet troops from Mongolia,' and expressed willingness to discuss with our country specific measures for carrying out a parallel reduction of army strength. Gorbachev also announced that to accelerate the process of finding a political solution to the question, the Soviet Union will have withdrawn six regiments (including weapons and military equipment) from Afghanistan by the end of this year. Apart from this, Gorbachev also declared that the "official river border between the Soviet Union and China can be delineated according to the main channel." Gorbachev said also that the Soviet Union is willing to expand economic and technological cooperation with China.

However, people have also noticed that Gorbachev's speech is still far away from the Chinese demand of clearing away the three obstacles in the Sino-Soviet relations. Particularly on the Cambodian question, with which China has been most concerned, Gorbachev said that the settlement of the Cambodian question "depends on normalizing Sino-Vietnamese relations," as if the question had nothing to do with the Soviet Union. Chinese Foreign Minister Wu Xueqian has already said that China is dissatisfied with Soviet avoidance of the question of withdrawing Vietnamese troops from Cambodia.

Gorbachev's speech at Haishenwei has captured wide attention in world public opinion. People will not only pay attention to what he says but also will pay attention to what he is planning to do.

XINHUA VIEWS SOVIET CONSTRUCTION REFORM

OW191417 Beijing XINHUA in English 1321 GMT 19 Sep 86

["Round-up: Soviet Union Begins Capital Construction Reform (by Zheng Kui)" -- XINHUA headline]

[Text] Moscow, September 19 (XINHUA) — The Soviet Union has begun a major reform of the administrative and economic mechanism of capital construction in order to reduce waste, increase returns on investment and quicken the pace of construction. The Soviet Communist Party Central Committee and the Council of Ministers passed two resolutions a few days ago on perfecting the management of building complexes and the economic mechanism of capital construction. The aim of this reform is to concentrate leadership over key and strategic questions and to extend the power of the union republics to strengthen the management of capital construction concerning regional economic development. Before the reform, the subordinate units of the union republics' construction industry ministries were overlapping and overstaffed while the State Committee for Construction did not have enough power to administer the ministries. This was one of the main reasons for the scattered funds, and manpower and material resources, and unduly long construction time. Now these ministries are directly under the reorganized state committee for construction.

The Union's ministries of Construction, Industrial Construction and Construction of Heavy Industry Enterprises have been replaced by four Ministries of Regional Construction Industry. These four ministries, together with ministries of Transport Construction, Assembly and Specialized Building Works, and Building Materials Industry, have also been put under the administration of the State Committee for Construction. The reform of economic mechanism is aimed at improving the work in construction departments by utilizing the commodity-currency relations. From now on, all construction units and even the union republic's construction ministries will practise at different stages the economic accounting system, assume sole responsibility for their profits or losses and raise funds. A construction unit will deliver profits to the state, calculate wage fund and draw economic incentive fund from profits according to fixed quota. Beginning 1987, the project contract price system, now being tried out in Belorussia, will be applied to capital construction departments throughout the country. Under the new system, the better half of the balance between the contract price and the construction cost will be given to the units in charge of design and construction. Furthermore, the State Committee for Construction will adopt a system of rewards and penalties on the basis of the overall economic accounting system to impel construction units to fulfill the contract obligations so as to ensure the project to go into operation as scheduled. Many measures have been taken in the Soviet capital construction field in the past 20 years. But they failed to yield notable results. Some scholars think that the present overall reform will accelerate the development of the Soviet social economy.

REPORTAGE ON PRC-JAPAN FRIENDSHIP FORUM

Delegation Arrives

OW211613 Beijing XINHUA in English 1559 GMT 21 Sep 86

[Text] Tokyo, September 21 (XINHUA) -- Wang Zhaoguo, chief of the Chinese side of the 21st Century Committee for China-Japan Friendship, today urged representatives of the two sides to work out appropriate solutions to problems between the two countries. Wang made the call after flying in here this afternoon with nine other Chinese representatives to attend the third session of the committee to be held at Oiso in Kanagawa Prefecture between September 22 and 24.

Wang was welcomed at the hotel by Japanese chief representative Tadao Ishikawa and other Japanese members of the committee. Ishikawa noted that problems that have arisen between the two countries in the past two years have further proved that the establishment of the committee is necessary and meaningful. He stressed that Japan-China friendship is a main trend in Japan and the few problems can be solved through frank exchange of opinions.

The committee was established in October 1984 at the proposal of Chinese Communist Party General Secretary Hu Yaobang and Japanese Prime Minister Yasuhiro Nakasone. It is divided into three groups, the first of which is to promote the overall long-term relations between China and Japan, the second looks into the affairs of economy, science and technology and the third is responsible for culture and youth.

Leaders Send Congratulatory Message

OW220734 Beijing XINHUA in English 0648 GMT 22 Sep 86

[Text] Tokyo, September 22 (XINHUA) -- Top Chinese and Japanese leaders today called for joint and unremitting efforts by the governments and peoples of their two countries to carry on Sino-Japanese friendship through to the 21st century.

In a congratulatory message to the Third Plenary Session of the 21st Century Committee for China-Japan Friendship, which opened here today, Chinese party leader Hu Yaobang and Premier Zhao Ziyang said that joint unremitting efforts are needed to realize the Sino-Japanese friendship in the 21st century. They stressed that this is in the long-term interests of the two nations and of peace and stability in Asia and the world as well.

The Chinese leaders expressed their appreciation of the performance of the committee in the past two years since its establishment in 1984, and encouraged the representatives of the committee to further contribute to the cause of Sino-Japanese friendship.

Japanese Prime Minister Yasuhiro Nakasone, who attended today's opening session, said in his speech that in further developing Sino-Japanese relations, national feelings of the two peoples should be respected. He attached great importance to this plenary session, describing it as "a great bridge" of friendship between the two people. He said that he personally expects that achievements will be scored during the upcoming discussions. The prime minister met with Wang Zhaoguo, chief of the Chinese side of the committee shortly before the session started.

The first plenary session of the committee was held in Japan in September 1984 and the second in China last year. The current plenary session will end on Wednesday.

I. 22 Sep 86

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PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

Committee Holds Session

OW220740 Beijing XINHUA in English 0658 GMT 22 Sep 86

[Text] Tokyo, September 22 (XINHUA) -- The Third Plenary Session of the 21st Century Committee for China-Japan Friendship opened here today to discuss matters concerning further development of bilateral relations.

In their keynote speeches at the opening session, both Chinese chief representative Wang Zhaoguo and Japanese chief representative Todao Ishikawa noted the main task of the committee in the years to come is to try to expand exchanges between the two countries in the fields of economy, science and technology, and culture.

Referring to the trade imbalance in Japan's favor Wang expressed the hope that Japan will further open its domestic market to Chinese products and encourage private enterprise to invest in China. Meanwhile, he said, China will try to better the quality of its products, promote exports of manufactured goods and improve the system for inviting foreign capital and the environment for technology transfer.

The two chief representatives also emphasized that the two nations should draw lessons from history and try to refrain themselves from doing anything that hurt the national feelings of either the Chinese or the Japanese people.

Ishikawa said the strong will of the majority of both peoples and their government leaders for further friendship represents the mainstream in relations between the two countries. However, he pointed out that there had been some negative factors such as official visit to the Yasukuni Shrine by cabinet members and revision of Japanese high school textbook of history. He said efforts are needed to eliminate the bad effect of those negative factors.

Wang Zhaoguo stressed that a correct assessment of history is the prerequisite for lasting friendship between the two countries, referring clearly to the period of Japanese invasion of China from 1930s to 1945. Toward that historical period, the Chinese people have adopted a looking-forward attitude, he said. However, this does not mean that distortion of history by some people, though there are only a few of them, can be tolerated, he added.

The committee's first plenary session was held in Japan in September 1984 and China hosted the second plenary meeting last year. The ongoing session will run through Wednesday.

CPPCC'S ZHAO PUCHU MEETS JAPANESE GUESTS

OW201302 Beijing XINHUA in English 1213 GMT 20 Sep 86

[Text] Beijing, September 20 (XINHUA) -- Zhao Puchu, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, met with former General Secretary of the Japanese Liberal democratic Party Kunikichi Saito, his wife and their party here today. The Japanese guests arrived here yesterday as guests of the China-Japan Friendship Association.

ASIAN GAMES PARTICIPANTS' COMPLAINTS DETAILED

OW201100 Beijing XINHUA in English 1030 GMT 20 Sep 86

[Text] Seoul, September 20 (XINHUA) -- Unfamiliar facilities, inconvenient transportation, late bus arrivals and long meal queues are among the major worries expressed by athletes, officials and journalists from different countries participating in or covering the 10th Asian Games in Seoul.

A new type of clay target authorized by the International Union of Shooting to be officially used for the first time at the Seoul games is reported to hinder the performances of shooters.

The new target flies faster than the regular one, a Japanese shooter complained. "We have had difficulty adjusting our aiming and firing after eight rounds of performance with regular targets," he said.

"We are not used to the new type. We have never practised with these targets," a Chinese team official said.

The flash targets are said to scatter fluorescent powder when hit, making it easier for spectators to see successful shots. They weigh 130 grams each, five grams heavier than the regular ones. The clay target trap and skeet competitions will use 200 regular targets in the preliminary rounds (for team competition) and individual semi-finals, and 25 flash targets in the finals.

South Korean shooters have been practising with the new targets for two months. This will put the home shooters in a favorable position in the competition.

Officials of some delegations said that they have found the transport facilities used for the games inconvenient. Eight cars are provided to the larger delegations but they are asked to register 24 hours before they use them. "It's very difficult for us to tell when we need cars since urgent matters can hardly be planned one day in advance," one delegation official noted.

A coach of the Chinese delegation said that in training sessions, the bus often arrived half an hour behind the schedule. "Sometimes, the drive is very bumpy and drivers take unnecessary roundabouts to make the drive longer than necessary. Our athletes are thus feel very uncomfortable," she said.

A Chinese cycling coach complained that "no arrangements have been made so far for our training over the whole course and over some important slopes."

According to the Chinese shooting team, boxes containing their rifles used for competition had been opened in their absence. "We fear that a mere scratch on any part of the rifles will affect the results of our performances," one Chinese said.

Journalists working at the main press center have witnessed an unanticipated boom in the self-served restaurant run by the Korean airlines during lunch hours for the last three days. They have to stand in long queues, usually waiting for half a hour before they move up the line to take the desired dish and pay the bill.

FRANCE GIVES DISCOUNT ON NUCLEAR PLANT CONTRACT

HK200314 Hong Kong SOUTH CHINA MORNING POST in English 20 Sep 86 p 1

[Text] France has given China an 80 per cent discount on a contract for French nuclear experts to help to assess the safety of the Daya Bay nuclear plant.

The contract is due to be signed in November between the National Nuclear Safety Administration (NNSA) of China and the French nuclear licensing authority, the SCSIN.

NNSA Vice-Director Mr Zhang Yuman told the SOUTH CHINA MORNING POST yesterday the French started negotiations with a price of 28 million francs about (HK\$30 million.)

But as negotiations proceeded, the Chinese managed to persuade the French to cut the fee by as much as 80 per cent which meant the Chinese only have to pay 5.6 million francs (about HK\$6.1 million.)

Mr Zheng said the French were willing to slash prices because they hoped to publicise their technology and with future contracts through the deal.

But one reliable source told the POST that the real reason behind the cuts was that China could not afford to pay for the contract.

"China simply does not have the foreign exchange," the source said.

A letter of intent for the deal was signed in May this year following many months of negotiations.

The negotiations were conducted at the same time as China announced a severe cut in foreign exchange spending.

But the source did add that the agreement could be looked upon as a "friendly deal" because of the relationship between the two countries.

Under the contract, the SCSIN will help China's NNSA to assess the three safety reports to be compiled by the Guangdong Nuclear Power Joint Venture Company during the course of construction.

The joint venture company has to submit a preliminary safety analysis report to the NNSA shortly. Until this report is approved and a licence is issued by NNSA, the company cannot begin construction.

Six months before the loading of nuclear fuel to the plant, the company must submit a second safety analysis report. The final report will be due before commissioning.

The Sino-French agreement will allow the NNSA to use France's computers and other advanced facilities in assessing all three reports.

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The Chinese did not have a nuclear licensing body until late 1984, although it has been developing its nuclear industry for three decades. Technical assistance from the more experienced French was therefore deemed necessary.

FINNISH PRIME MINISTER SORSA CONCLUDES VISIT

Departs for Home

OW191204 Beijing XINHUA in English 1049 GMT 19 Sep 86

[Text] Shenzhen, September 19 (XINHUA) -- Finnish Prime Minister Kalevi Sorsa and Mrs. Sorsa and their party wound up their official visit to China and left here this afternoon for home via Hong Kong.

Seeing the Finnish guests off were Zou Yu, Chinese minister of justice, and Li Hao, vice-governor of Guangdong and mayor of Shenzhen. Earlier, Chinese Premier Zhao Ziyang made a telephone call to his Finnish counterpart from Beijing to congratulate him on the success of his visit.

Sorsa expressed the belief that his visit will give a strong impetus to the friendship and cooperation between Finland and China. This morning, Sorsa and his party visited an electronics production line and a display of industrial products of the Shenzhen special economic zone. Sorsa said that Shenzhen will provide the Finnish trade circle with possibilities for cooperation of various kinds.

Calls Visit 'Successful'

OW211855 Beijing XINHUA in English 1845 GMT 21 Sep 86

[Text] Helsinki, September 21 (XINHUA) -- Finnish Prime Minister Kalevi Sorsa said today that his visit to China was successful, and will enhance bilateral economic development. He made these comments in the Helsinki Airport after ending his first visit to China from the 14th to the 19th of September. After his meetings with Chinese leaders, he said he understands more about China. Both nations shared similar viewpoints on disarmament and other international issues, he added.

BANK DELEGATION ENDS 5-DAY VISIT TO FINLAND

OW211546 Beijing XINHUA in English 1447 GMT 21 Sep 86

[Text] Helsinki, September 21 (XINHUA) -- The Chinese Industrial and Commercial Bank delegation, led by President Zhang You, left here today for home after a five-day visit. The delegation, at the invitation of the Finnish Central Savings Bank which sent a delegation to China last September, arrived here on September 17 for a return visit.

During the visit, representatives of both sides exchanged views on further developing work ties, expanding cooperation and other issues of common interest. Last night, President Zhang held a banquet here to express thanks to the Finnish side for its hospitality. Matti Ali-Melkkila, president of the Finnish Savings Bank, was present on the occasion. The Finnish Savings Bank is the largest in the country in handling savings and granting loans.

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LI PENG DOWNPLAYS HONG KONG POLL ON DAYA BAY

HK220645 Hong Kong HONGKONG STANDARD in English 22 Sep 86 p 1

[By Esme Lau]

[Text] Chinese Vice Premier Li Peng has played down the widespread concern in Hong Kong over the Daya Bay nuclear power plant by saying an opinion poll showing heavy opposition to the facility was not a formal survey.

Dr Richard Lai said the Legislative Council delegation to Beijing over the weekend told Mr Li that Hong Kong residents are worried about the plant, which will be built 50 kilometres northeast of Hong Kong island.

The contracts are expected to be signed tomorrow.

"Mr Li said such opinions were not taken by a formal survey.

"But he stressed everyday he reads the news and he understands well the feelings of the Hong Kong people."

A newspaper survey of 8,000 people made public this month showed that 73 percent of those polled opposed the plan.

The results were nearly the same as an earlier newspaper poll.

One million Hong Kong residents have also signed petitions asking that the plant be shelved.

Dr Lai, who has advocated the construction of the plant be halted pending further study, returned from the trip to Beijing feeling that, since the construction contracts were about to be signed, people should be prepared to live with the plant.

"Hong Kong people should consider whether it is still useful to still object to the construction of the plant," he said at an airport press conference following their three-day visit to China. It included a 70-minute meeting with Mr Li, who oversees China's nuclear industry, a tour of China's Nuclear Research Institute and meetings with top-level nuclear scientists and engineers.

Delegation leader Allen Lee read a statement calling the trip "useful and fruitful," and added the councillors were impressed that China's National Nuclear Safety Administration made "safety and quality" a top priority.

During Saturday's meeting with the Vice-Premier, the Chinese refused to extend the guarantee of power prices from Daya Bay beyond the first six years of the plant, scheduled to come into operation in 1993.

Mr Lee said he was not worried by that refusal.

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"The Chinese believe that by then the price of electricity will eventually be reduced to a level lower than the conventional means of power generation," he said.

The Legco [Legislative Council] member added that the guarantee ended after six years of operation because the agreement was already reached and the Chinese did not feel like making any alterations at the present stage.

"I personally accept this explanation and I believe nuclear energy will be cheaper than coal-generated electricity by then," Mr Lee predicted.

The other group leader, Miss Maria Tam, added that the price estimated derived from reports and forecast of China's financial experts.

Mr Lee said the members were impressed with the breadth and depth of nuclear knowledge and close contact of Chinese with counterparts in France, West Germany, Japan and the United States.

But he added that details of a comprehensive emergency plan will be ready in the next two to three years.

Vice-Premier Li also assured the delegation that the plant site will not be linked with any underground water source.

No final decision was made on the implementation of a sand filter system, a suggested safety measure, but the Chinese explained it was included in the budget and the decision would only be based on engineering grounds.

The Chinese had also suggested that arrangements could be made between Guangdong and Hong Kong on the exchange of information and coordination of contingency planning.

A cross-border agreement had been made with Guangdong Environmental Protection Authority and Hong Kong Royal Observatory for monitoring radiation from the Daya Bay plant.

Mr Li also told the Legco visitors that he supported the principle of local participation in the independent advisory body on safety and management aspects of the plant.

Stresses Safety

OW201525 Beijing XINHUA in English 1503 GMT 20 Sep 86

[Text] Beijing, September 20 (XINHUA) -- Chinese Vice-Premier Li Peng said here today that to make the Daya Bay Nuclear Power Plant a safe one is a common wish of the mainland people as well as residents in Hong Kong. "The Chinese government places its concern for the safety of the people in Guangdong Province and that for the safety of Hong Kong residents at a level of the same importance," he added.

The vice-premier made these remarks at a meeting with a group of members of the Hong Kong Legislative Council nuclear delegation, led by Maria Tam and Allen Lee, here today. Li said that China had made a thorough study before giving its approval for building this nuclear power plant. The decision was carefully made after Chinese leaders and experts had studied major countries with nuclear power stations. He said that the Chinese Government had reached agreement with the British and French Governments to support the construction of the Daya Bay Nuclear Power Plant. Many British, French and Chinese firms and banks are involved in this project, which is one of the largest Sino-foreign joint ventures since China adopted the policy of opening to the rest of the world.

He stressed that China attaches great importance to keeping its word and abiding by contracts. The project will play a positive role in developing Guangdong's energy and maintaining Hong Kong's prosperity and stability, he averred. Since the accident at the Chernobyl power station in the Soviet Union, Li said, the Chinese Government has taken notice of the worries expressed by the Hong Kong public about the construction of the Daya Bay Nuclear Power Plant. "We can understand those worries. After the field-study trips made by the nuclear delegation of the Hong Kong legislative council, we believe that worries will diminish while confidence will grow with each passing day," he said.

Maria Tam told the vice-premier that the delegation had had talks with Chinese departments concerned in the last two days. "We have got some idea about China's nuclear power and atomic energy development through these talks. We believe that the pledge made by the departments concerned about the safety of the Daya Bay Nuclear Power Station will strengthen the confidence of the Hong Kong people," she noted. When Allen Lee brought up the subject of a proposal for establishing a non-governmental nuclear power safety advisory group with the participation of people from Hong Kong, Li said, "we hold a positive attitude to the establishment of such a group. We may take time to plan how to form such a group."

Li said that the Chinese Government hoped that the work of the nuclear power station would be supervised. Consultancy on safety would only do good to the progress of the Daya Bay plant, he said. In its nuclear power development, he said, China always attaches great importance to international cooperation and drawing lessons from the experiences of other countries. He said that China sent its Minister of Nuclear Industry Jiang Xinxiong to the special meeting of the International Atomic Energy Agency examining two conventions, one on prompt information about nuclear accidents and the other on emergency aid for nuclear accidents. The Chinese Government are positive to these two conventions. [sentence as received] Ji Pengfei, state councillor and director of the Hong Kong and Macao Affairs Office of the State Council, gave a banquet for the Hong Kong group.

Withholds Cost Guarantee

HK210208 Hong Kong SUNDAY STANDARD in English 21 Sep 86 p 1

[Report from Beijing by Andy Ho]

[Text] Chinese Vice Premier Li Peng has turned down a request by the 11 member Legco [Legislative Council] delegation for a guarantee that power supplied by the Daya Bay plant would be cheaper than coal-generated electricity.

In a 70-minute session with the councillors, Mr Li said China had already made a big concession in offering a six-year assurance to the Hong Kong China Light and Power Company.

Under the current agreement, the Hong Kong Nuclear Investment Company, a full subsidiary of the China Light, with share 25 percent of the Daya Bay output.

The Guangdong Nuclear Investment Company will sell 45 percent of the remaining output to China Light at a price not higher than that of coal-generated electricity during the first six years of the plant's operation.

Mr Li, who oversees China's nuclear industry, said the running cost for the nuclear plant would be the highest in the first six years.

Under the present situation, he said, the nuclear option should be cheaper than the conventional means of power generation.

But no one could give a definite assurance as there are still 13 years before the Daya Bay facilities start operating, he added.

Mr Li said the issue had been thoroughly studied before the two nuclear investment companies agreed on the present terms.

Mr Allen Lee, a leader of the Legco team, described the arrangement as "partially satisfactory" to both sides. He said he was not at all disappointed at the decision.

In the event of an accident at the nuclear plant, he said the additional financial burden on the joint venture company would not be passed on to the people of Hong Kong.

The vice premier had reportedly given Legco delegation some assurances on other major suggestions.

The Chinese leader reacted positively to the councillor's proposal for an independent advisory body for the nuclear safety regulatory control with Hong Kong's participation.

Mr Allen Lee said his impression was that China would definitely study the recommendation in detail.

But he did not elaborate on the Legco members' views on the composition of the set-up and its term of reference, saying that the details could be worked out at a later stage.

Another leader of the Legco mission, Miss Maria Tam, said the Chinese leader had also promised to consider direct linkage with Electricite de France for technical exchange.

She said Mr Li had assured the Legco delegation that the inspection system on nuclear safety would be an independent body, and there would be no interference from other departments.

Another member, Dr Richard Lai, told the vice premier of the result of a recently conducted opinion poll on the people's reaction to the Daya Bay project.

About 70 percent of the 7,000 respondents said they had reservations about the nuclear installation.

Mr Li said the Chinese leaders are well aware of the Hong Kong people's views on the nuclear plant, as they are monitoring Hong Kong newspapers.

He said with more knowledge about nuclear energy, the anxiety would fade out gradually.

Mr Ji Pengfei, Director of the Hong Kong and Macao Affairs Office, hosted a farewell dinner for the Legco delegates last night. The group is scheduled to return today.

A report on the four-day mission of the councillors will be compiled and released.

According to a report from RUETERS, the legislators said Mr Li had repeated assurances about the safety of the plant.

Miss Tam told reporters that Mr Li said the plant would meet global safety standards.

DIRECTOR OF NUCLEAR POWER BUREAU ON DAYA BAY

UK200534 Hong Kong ZHONGGUO XINWEN SHE in Chinese 1352 GMT 18 Sep 86

[Report: "Ma Fubang, et al Answer, From Four Perspectives, Questions Raised by Visiting Members of Hong Kong Legislative Council's Nuclear Power Survey Group"]

[Text] Beijing, 18 Sep (ZHONGGUO XINWEN SHE) — Ma Fubang, Director of the Nuclear Power Bureau of the Ministry of Nuclear Industry, and specialists concerned exchanged views today with visiting members of Hong Kong Legislative Council's Nuclear Power Survey Group on results of various observations put forward in the survey group's report for the consideration of the Chinese Government and the Guangdong Nuclear Power Joint Venture Company Limited from the angle of design and construction, international cooperation, training of personnel, and environmental protection.

1. The Design and Construction of the Daya Bay Nuclear Power Plant

Regarding the question of "the addition of the sand filter system to the design of the safety shell," Ma Fubang said that the safety shell of the pressurized water reactor can fully stand the temperature and pressure caused by the most serious possible accident of the nuclear power plant. It will be safe even without the addition of the sand filter system. He said that overall examination and proof will still be carried out as to the necessity of adding a sand filter system.

Jiu Yunlong, general manager of the Guangdong Nuclear Power Joint Venture Company Limited, added that the Joint Venture Company has reserved funds and that whether or not a "sand filter system" should be added will be decided after detailed copies on the design have been received from France.

Regarding the suggestion on the "addition of the hydrogen combination device to reduce the danger caused by the high concentration of hydrogen," Ma Fubang said that in the design of the Framatome nuclear island, there are already two sets of hydrogen combination devices. Therefore, the system has the function of eliminating hydrogen after an accident caused by lack of water in the reactor.

Regarding the suggestion on the "addition of the design of penetrators for the pressurized safety shell," Ma Fubang said that in the design of the Framatome nuclear island, the system of penetrators for the pressurized safety shell has been adopted to inject air into the system to detect any leakage. This kind of penetrator can meet the sealing requirements of the safety shell. Regarding the suggestion on "the pollution of underground water resources," Ma Fubang said that as the thickness of the concrete ground floor of the Daya Bay nuclear reactor plant is 6.5 meters and the reactor plant is built on bedrocks, even in the event of the reactor melting through the concrete ground floor, it will only affect the water in the crevices of the bedrock, rather than directly affecting the underground water resources. Accidents of this kind will not pollute the underground water resources.

2. On the Issue of International Cooperation and Exchange

Ma Fugang said that China formally joined the International Atomic Energy Agency in 1984. Its nuclear safety laws and regulations and guidelines were enacted in light of the relevant documents of the International Atomic Energy Agency and are completely in keeping with the current international standards. The State Nuclear Safety Bureau has considered inviting the International Atomic Energy Agency to inspect the Daya Bay Nuclear Power Plant.

3. On the Issue of Management and the Training of Personnel

Ma Fubang said that according to the joint venture agreement, the Guangdong Nuclear Power Joint Venture Company Limited will be managed by people jointly sent by our country and Hong Kong. The numbers, duties, quality and so on of the personnel are all explicitly defined in the joint venture agreement. The training and retraining of personnel will also be carried out in light of the contracts and stipulations drawn up by the joint venture company as well as the relevant foreign companies. The Guangdong Nuclear Power Plant includes a training center with functional simulators and full-scale simulators. Therefore, the managerial level and the operational quality of the personnel of the Daya Bay Nuclear Power Plant can be guaranteed.

4. The Issues of Public Education and Environmental Protection

Ma Fubang said that the State Environmental Protection Committee has decided to set up a monitoring network around the areas near the nuclear power plant, so as to monitor the water resources atmosphere, soil, vegetation, food, and so on in these areas. The State Nuclear Safety Bureau has also decided to set up a nuclear safety monitoring station to monitor the construction and operation of the Daya Bay Nuclear Power Plant.

-- The emergency plans. China has been considering and organizing this work. Before the commission of the nuclear power plant, a well-conceived emergency plan will be worked out.

-- The disposal of nuclear waste. The used fuel of a nuclear power plant is the most radioactive and is in large quantities. The used fuel of Daya Bay will be shipped to the sparsely populated areas in the interior to be ultimately disposed of.

-- The Security measures. The Chinese Government will adopt more rigorous measures to protect the nuclear power plant.

NUCLEAR EXPERT URGES POWER PLAN RESTRAINT

OW220329 Tokyo KYODO in English 0250 GMT 22 Sep 86

[Text] Shanghai, Sept. 22 KYODO -- A Chinese expert on energy has said China should limit its nuclear generation projects to a small scale from the standpoint of economic efficiency and said he favors the use of Chinese domestic technology in the construction of such stations.

Xu Shoubo, deputy chief of an experts' forum on energy economy in the Chinese Energy Research Society, expressed his opinions in a Shanghai economic weekly published Monday. In the article, Xu said China must promote nuclear power under its nuclear energy development strategy until 2000, but that nuclear power generation should not be conducted on a large scale. He cited a sharp drop in the economic efficiency of nuclear power generation in the United States. China now has enough coal deposits for the next several hundred years and its great water resources have not yet been fully developed, Xu said. He further asserted that thermal power generation is better than nuclear power generation, even if costs for digging and transporting coal, desulfurization and environment-protection are taken into account.

In China, plans are underway for the 300,000-kilowatt, domestically-developed Qinshan Nuclear Power Station in Zhejiang Province and the 1.8-million-kilowatt Guangzhou Nuclear Power Station in Guangdong Province using foreign technology. In the article, Xu said the Qinshan Station, though small in scale, has a higher economic efficiency. In addition, China reportedly has plans to build two nuclear power stations -- a 2-million-kilowatt station in Jiangsu Province and a similar-scale station in Liaoning Province. Xu, however, did not refer specifically to the two plans in his article.

AIR FORCE DEVELOPS RADAR ANTI-INTERFERENCE PLAN

HK191032 Beijing XINHUA Hong Kong Service in Chinese 1351 GMT 17 Sep 86

[Report: "Chinese Air Force Has Succeeded in Developing a Radar Anti-Interference Frequency-Changing System" -- XINHUA headline]

[Text] Beijing, 17 Sep (XINHUA) -- A new achievement which can be used in radar anti-interference has passed the technical examinations here today. Experts firmly believe that this new technology has filled China's gap in the field of electron confrontation and possesses important application value in national defense.

The frequency changing technology is an effective measure for radar anti-interference. According to the experts, as early as the 1960's, many developed countries in the world began to attach importance to the development of this technology.

This frequency-changing technology developed by a research institute of the air force can perform excellently. After being equipped with this frequency-changing technology the operational range, the properties of detection and anti-interference, and so on, of China's engineering radar, vessel-carried radar, and ground radar will be remarkably strengthened.

PLA FINANCIAL INSPECTION ACTIVITIES DETAILED

OW211950 Beijing XINHUA Domestic Service in Chinese 1514 GMT 19 Sep 86

[By reporter Wu Kelu]

[Text] Beijing, 19 Sep (XINHUA) -- The all-army general financial discipline inspection has checked irregularities in the economic field of the Army and played a positive role in bringing about a fundamental turn for the better in the Army's party conduct and in strengthening management of funds and materials. The general inspection began in late March this year and is now in the concluding state. The Central Military Commission and various major military units assigned some 20,000 people for this work. They inspected or spot-checked the leading organs of various major military units as well as units at and above the regimental level. According to inspection results, the majority of the army units are good or relatively good in enforcing and upholding financial discipline. At the same time, they also uncovered and investigated a number of violations of financial discipline. With the approval of the Central Military Commission, an all-army report meeting on financial discipline inspection is being held in Beijing. They summed up the following achievements of the inspection:

-- Comprehensively consolidated financial discipline and strictly handled a number of economic cases and key problems involving leading cadres. Irrespective of their positions, those who violated party discipline were firmly punished by party disciplinary actions; those who violated state laws were put under arrest to be punished by law;

-- Further straightened out the orientation of production management in the Army and promoted its healthy development;

-- Fostered a healthy trend by commending and designating a number of collectives and individual distinguished in upholding and enforcing financial discipline. The standard of conduct in the military has changed noticeably and irregularities in the economic field have been, by and large, checked;

-- In light of the problems uncovered, they have drawn up a tentative consolidation plan, which serves as a reliable basis for perfecting and reforming the Army's financial and auditing system.

WANG ZHAOGUO ON POLITICAL STRUCTURAL REFORM

HK180741 Beijing HONGQI in Chinese No 17, 1 Sep 86 pp 6-15

[Article by Wang Zhaoguo: "To Do A Good Job in Reform Is the Primary Historical Responsibility of Young and Middle-Aged Cadres" -- article compiled by the HONGQI Editorial Department on the basis of a speech by Wang Zhaoguo at the graduation ceremony of the Central Party School on 16 July 1986. Capitalized passages published in boldface]

[Text] The construction of the socialist modernization and the development of various reforms have provided excellent conditions for the growth of young and middle-aged cadres. [paragraph continues]

In recent years, cultivated and educated by the party and the people and supported and helped by the old comrades, a large number of the young and middle-aged cadres throughout the country have already taken up the leading posts at all levels. Under the new conditions, we share the same view that we must strive to do a better job and fulfill better the tasks assigned by the party and the people. This means that the young and middle-aged cadres must correctly understand and perform their historical responsibility. Before talking about this question, it is necessary to make a brief review of the history of our party.

Since its establishment in 1921, our party has experienced 65 brilliant years. In the 28 years before the founding of our country, in spite of the innumerable trials and tribulations, our party led the people of all nationalities to wage struggles for the great victory of the new-democratic revolution. Therefore, the victory of the new-democratic revolution is a result of the heroic struggles of countless revolutionary martyrs, the comrades of the whole party and the people of the whole country who rose to fight one after another and feared neither shedding their blood nor giving up their lives. The magnificent contributions made by our party's revolutionaries of the older generation, whether they have already passed away or are still alive, for saving the disaster-ridden Chinese nation and establishing a bright and progressive New China will forever go down in history and inspire us to forge ahead. In the 27 years from the founding of the country in 1949 to the smashing of the "gang of four" in 1976, together with the people of all nationalities in our country, our party experienced the joy of success and victory and tasted to the full the pain of setbacks, in particular the pain of the 10 years of internal disorder. Nevertheless, generally speaking, these 127 years should go down in history as a period in which our party led the people of all nationalities to score great achievements in the socialist revolution and construction through overcoming enormous hardships. The establishment of the socialist system, especially, is the most profound and the greatest social change in the history of our country and a basis of all the progress and development in our country. Following the smashing of the "gang of four," and in particular since the 3d Plenary Session of the 11th CPC Central Committee, our party has led the people of all nationalities to enter a new historical development period of the socialist modernization construction. Over the last 7 years, beginning from the movement of bringing order out of chaos to the overall reforms, our party has begun to find a way of building socialism with Chinese characteristics and achieved world-famous achievements in economy, politics, culture, foreign affairs, national defense, and other fields.

Reviewing the history of our party, we can clearly see under what kind of historical premises and conditions the historical responsibility of our contemporary young and middle-aged cadres has conferred. In the historical development of our party, contemporary young and middle-aged cadres constitute a generation furthering the cause pioneered by their predecessors and forging ahead into the future as well as a generation of carrying on the past heritage and opening up the future. We are now advancing on the revolutionary path pioneered by the proletarian revolutionaries of the older generation as well as on the very good basis of a new situation of socialist modernization construction opened up by the people of the whole country under the leadership of the party Central Committee. Meanwhile, we are also confronted with a new historical period and the arduous tasks. Only when the vast numbers of young and middle-aged cadres have a good understanding of the historical conditions for them can they correctly understand and perform their own historical responsibility.

Then, what exactly is the historical responsibility of contemporary young and middle-aged cadres? To answer this question, we must relate it with our party's long-term target for endeavor. [paragraph continues]

As we know, the elimination of poverty and the realization of prosperity, the elimination of ignorance and the realization of civilization, and the elimination of backwardness and the realization of modernization to let the Chinese nation stand towering like a giant in the world has been the long-cherished goal pursued by millions of people with lofty ideals in our country over the last century or so and a strong common wish of our whole party and the people of all nationalities in our country. In order to realize this wish and build our country into a strong socialist modernized country with a high degree of civilization and democracy, the party Central Committee has put forward the target of endeavor for our country's economic and social development in the coming decades. First, by the end of this century, the annual gross value of the industrial and agricultural output should be quadrupled over 1980 and the people's livelihood should reach the level of comparatively well-off life. Second, in the middle of the next century, or around the 100th anniversary of the founding of the country, our country's economic level should reach that of advanced countries in the world. To attain this magnificent goal, the persistent and dauntless struggles of the people of several generations will be needed. Judging by age, the young and middle-aged cadres are now all expected to transcend into the next century. Those who are now in their 40s or 50s will be realizing the first step in 15 years; and those who are 35 years old or younger will be contributing to the realization of the second step in 25 years or so. These 15 years, 25 years or a longer period of time will be periods extremely important to the development of our country. In order to build our country into a first-class prosperous and powerful socialist modernized country, the vast numbers of the young and middle-aged cadres of ours are now shouldering an extremely great and arduous historical responsibility. To realize these two targets for endeavor, we must uphold the four cardinal principles and do our utmost to expedite economic structural reform, political structural reform, education, scientific and cultural reform, and other reforms. Overall reform is another great practice of the scientific socialism in contemporary China and the only way for us to build our country into a socialist modernized country with a high degree of civilization and democracy. Therefore, as far as we young and middle-aged cadres are concerned, THE FIRST HISTORICAL RESPONSIBILITY IS TO UPHOLD AND PROMOTE REFORM AND MAKE REFORM ACHIEVE THE DESIRED SUCCESSES THROUGH MAKING UNREMITTING EFFORTS OVER MANY YEARS.

Economic structural reform in our country must, first of all, make a breakthrough in the rural areas and then gradually develop into the cities. Closely centering around the key link of invigorating enterprises, the urban economic structural reform has been carried out in planning, finance, taxation, pricing, banking, commerce, wage of labor, and other aspects in varying degrees, bringing about an unprecedentedly lively situation in the urban economic life. Through the creative practice by the comrades of the whole party and the people of the whole country under the guidance of Marxism over the last few years, in particular the practice following the promulgation of the decision of the CPC Central Committee regarding the economic structural reform over a year ago, the general picture of and the approach to the socialist economic system with Chinese characteristics is becoming more and more distinct. The new economic system which is not being gradually set up has already demonstrated its exuberant vitality. At present, our country's national economy continues to grow, the people's living has improved remarkably and all the undertakings are becoming more prosperous every day.

The whole economic structural reform focusing on the urban areas is, in fact, an overall reform. It involves not only economic structural reform, the structural reform of culture, science and technology, education, and so on, but more importantly also the structural reform of politics. On many occasions in this year, Comrade Deng Xiaoping talked about the issue of political structural reform and emphatically expounded the necessity and urgency of the political structural reform. [paragraph continues]

He stressed that "We cannot keep abreast of the situation if we do not carry out political structural reform" and that "if we only carry on economic structural reform but not political structural reform, the economic structural reform will not succeed." While he was receiving a Korean party and government delegation on 14 July, he pointed out once again that "the urban economic structural reform to be accomplished by China in the coming 5 years is, in fact, an overall economic structural reform, including some political structural reforms." He also pointed out that political structural reform is an issue affecting the situation as a whole and that a period of time is needed to carry out investigation and research and "you should devise a good plan before you start."

While carrying out economic structural reform, it is imperative to correspondingly reform some of the political structures. Over the last few years, the members of the Standing Committee of the Political Bureau of the Central Committee have been thinking about this issue and have made many extremely important expositions. In his report to the 12th party congress, while talking about fostering a high degree of socialist democracy and building the party into a powerful core leading the cause of the socialist modernization, Comrade Hu Yaobang explicitly proposed the task of reforming and perfecting the political structure as well as the leading structure of the state. In August 1980, at an enlarged meeting of the Political Bureau of the Central Committee, Comrade Deng Xiaoping delivered a long speech entitled "The Reform of the Leading System of the Party and the State." In this speech, applying the fundamental viewpoints of Marxism, he scientifically analysed the history and present conditions of the leading system of our party and state and made a brilliant exposition of the necessity, content, principles and implementation measures. In fact, it was political structural reform that he was talking about. This speech was discussed and adopted by the Political Bureau at that time and has become a programmatic document guiding our political structural reform.

It should be pointed out that the expositions presented by the central authorities and the standing committee members of the Central Political Bureau are very important and should be earnestly studied. Here, I would like to talk about my own personal experiences and understandings.

Political structural reform is an extremely important component of our effort to perfect the socialist political system and build the socialism with Chinese characteristics in our country. Through political structural reform, we should further set up a socialist political structure with a high degree of democracy and efficiency and a complete legal system. Political structural reform must be conducted in a planned and gradual way and on the basis of facilitating the improvement and strengthening of the party's leadership and the consolidation of the peoples democratic dictatorship. All the reform measures in this aspect must help continue to implement our country's policy of opening up the outside world and invigorating the domestic economy, promote the development of the planned commodity economy and the prosperity of the cause of socialist education, science and culture, consolidate and develop achievements in economic reform and all other reforms, cultivate, select and employ a large number of outstanding talented people who can suit the needs of the socialist modernization construction, foster a democracy which is more realistic and more democratic than those in the capitalist countries, ensure that all people truly enjoy the rights of administering the state and social affairs through various effective forms, and consolidate and develop a political situation in which people have both centralism and democracy, both discipline and freedom, both unity of will and mind and personal liveliness.

It is in keeping with the fundamental principles of historical materialism to correspondingly reform the political structure reforming the economic structure.
[paragraph continues]

Mankind's production activities are their most fundamental activities, decisively affecting all their other activities. The superstructure must suit and serve the economic basis. The communique of the 3d Plenary Session of the 11th CPC Central Committee ever pointed out that "the realization of the four modernizations and the demand for greatly improving the productive forces will surely required to change in many ways the production relations and superstructure which do no suit the development of productive forces and all the inappropriate patterns of management, operation and thinking. Therefore, it is a comprehensive and deepgoing revolution." This passage, in fact, embodies the demand for reforming the political superstructure. In August 1980, Comrade Deng Xiaoping ever explicitly pointed out that the malpractices in the current leading system, cadre system, and so on, of the party and state are closely related to the economic management structure of highly centralized authorities formed over a long period of time since the founding of our country. Over the last few years, we have effected a series of major reforms in the aspect of economic management structure and begun to change from the excessively and rigidly controlled old system to a fully vigorous and energetic new system which can suit the planned development of the commodity economy on the basis of public ownership. Thus, we are surely required to correspondingly reform the political system. This has been proved in practice. Over the last 7 years, some major steps have been made in the political structural reform in our country. For example, the 5th Plenary Session of the 11th CPC Central Committee decided to set up a Central Secretariat, the 5th Session of the 5th NPC Congress adopted a new Constitution, the division of work between the party and government has been promoted, the de facto system of life tenure for leading cadres has been abolished, the leading organs at all levels have been readjusted in the light of the principle of being more revolutionary, younger in average age, better educated and more competent, many young and middle-aged cadres have been selected, the system of reserved cadres has been set up, the army has been reduced and reorganized, the director responsibility system has been effected in the state-run enterprises, the township administrative level has been restored in the rural areas, the building of a legal system has been vigorously expedited, a large number of laws and decrees have been promulgated, and so on. These reforms in relation to the political structure have effectively ensured the smooth implementation of our bringing order out of chaos and the economic reform.

Moreover, we must soberly note that we have just conducted an initial reform of the political structure in the past few years and that the reform is still far from meeting the needs of the economic structural reform. Political structural reform covers numerous areas. In line with the objective requirements of the current economic, scientific, technological, and education reforms and the development of the building of the two civilizations and in light of the practical conditions in the political life of our party and state, we may as well concentrate on solving well the following problems:

ON STREAMLINING THE ADMINISTRATIVE STRUCTURE AND IMPROVING WORK EFFICIENCY. The structural reform started in 1982 has produced some results. However, for various reasons, the phenomena of setting up more organizations, recruiting more staff, upgrading organizations, and indiscriminately promoting cadres have reemerged over the past 2 years. Compared with the situation before the reform, the number of our organizations has increased rather than decreased. The number of cadres in most provinces, prefectures (cities), and counties has exceeded the authorized sizes. The number of nonpermanent organizations has constantly increased. Moreover, while some executive bodies are overstaffed, some consultant bodies are understaffed. Some supervisory bodies are not completely sound. Unwieldy and overstaffed organizations have resulted in more expenses. Since many organizations at the higher levels have more hands than needed, they are inclined to keep a firm hold on power. [paragraph continues]

They take back the power we have delegated to the lower levels and manage many things they should not manage, thus encouraging bureaucratism in party and government organizations, dampening the initiative of the units at the lower levels, and objectively obstructing the reform. With the in-depth development of the economic structural reform, in particular, lateral economic links among enterprises have become more lively, crossing the boundaries of different localities, departments, and trades. This makes it necessary for government organs to change their management functions and for the state to change from mainly direct to mainly indirect control in its management of enterprises. Comrade Zhao Ziyang pointed out: "if the cities fail to appropriately reform their administrative structures and to change their traditional concepts and methods of leadership, it will be very difficult, in my view, to genuinely extend the decision-making power of enterprises, the power that has been decentralized will also be taken back, and the lateral links among enterprises will also be restricted. Therefore, it is absolutely necessary to make the structural reform of key cities an important item on our agendas." State Council have decided to try out structural reforms in several medium-sized cities.

We have streamlined and reformed the administrative structures on several occasions since the founding of the PRC only to result in an endless cycle of simplification, expansion, resimplification, and reexpansion. An important cause for this state of affairs is that these organizations were streamlined when the economic structure was not substantially reformed. For this reason, it was impossible to change the functions of government organs. Historical experience shows that, rather than a simple abolition, amalgamation, or reduction of departments, structural reforms is chiefly aimed at streamlining administration, instituting decentralization, adjusting and changing the functions of government organs, and straightening out and improving the administrative management system. As Comrade Zhao Ziyang recently pointed out: "Following the overall execution of economic structural reform, the functions of the government will change and government organs and the cadre system will also be reformed in a systematic way. Without reform in this field, it will be impossible to suit the needs of economic structural reform."

ON REFORMING THE CADRE SYSTEM. In recent years, under the influence of economic structural reform, we have achieved notable successes in reforming China's cadre system, making a substantial breakthrough in some respects. Taken as a whole, however, reform of the cadre system is still far from meeting the needs of economic structural reform and is still lagging behind the development of the situation. We must quicken our pace and continue to resolutely push ahead with reform of the cadre system, step by step, and in a planned way.

It is necessary to seriously investigate and study how to begin reforming the cadre system. There are several topics we should concentrate on studying: 1) Establish a system in which cadres can move both upward and downward, and truly create an environment that will facilitate competition and help top-notch talent to show itself. 2) It is necessary to implement the mass line in examining and promoting cadres, step up democratic supervision, let the masses have more say in assessing, appointing, and dismissing cadres, overcome the phenomenon of relying on the individual likes or dislikes of certain leaders in assessing and using cadres, and gradually make the work of examining cadres democratic, scientific, and systematic. The experience of the Shenzhen's Shekou industrial zone in democratically electing, appointing, and supervising cadres merits our attention. 3) Perfect the election and appointment system and institute a system of appointment by examination and a system of hiring people for appointments. The cadres holding posts by these means should not hold unlimited terms of office so as to coordinate more or less with the institution of the labor contact system among workers. 4) Institute a system of periodic exchanges of leading cadres. 5) Institute a system [hui bi zhi du 0932 6699 0455] for leading cadres.

Over the past few years, we have achieved great successes in adjusting leading bodies at all levels in accordance with the principle of the "four transformations" of cadres. This is a long-term task. We should continuously uphold this important principle and strive to do a good job of it. Comrade Chen Yun pointed out on numerous occasions: There must be an orderly system of succession for cadres. We should make cadres in leading bodies younger in average age by rationally promoting young and middle-aged cadres to leading posts. This is a reform of strategic importance on the organizational front. In selecting and promoting cadres, we must satisfactorily integrate the strategic need to carry on pioneering work into the next century with the need of the current construction and reform. After undergoing training and tests for 12-20 years, most of the young and middle-age cadres are brimming with vigor and creative power and are distinguished for their living thinking. Many of them have achieved outstanding successes in reform and construction. In the future, we should pay more attention to promoting the outstanding ones. Moreover, we should continue to bring into play the role of cadres on the wrong side of fifty. When providing party and government organs at the provincial, prefectural, and county levels with leading cadres, we did not pay attention to bringing into play the role of cadres on the wrong side of fifty. However, some localities and units have mechanically reduced from one level to another the age limits for the members of leading bodies, which is inappropriate. This is because not all the secretaries of county party committees will become secretaries of prefectural party committees and not all the secretaries of prefectural party committees will become secretaries of provincial party committees. If we insist that the age structure should be mechanically reduced from one level to another, we will dampen the initiative of some middle-aged cadres on their work posts. This merits our attention.

ON IMPROVING THE SOCIALIST LEGAL SYSTEM. Since the 3d Plenary Session of the 11th CPC Central Committee, we have achieved tremendous successes in building the socialist legal system. However, due to the influence of the feudal society lasting for over 2,600 years, the building of the legal system was neglected for a considerably long period of time after the founding of the PRC. Our legal system is not quite perfect. A sizeable number of cadres, including some responsible comrades, still do not have an ample understanding of the importance of the building of the legal system. Laws already enacted are in some cases not fully observed or enforced. This is quite detrimental to the smooth progress of the building of the two civilizations and the economic reform. Therefore, an important task in political structural reform is to resolutely eliminate the influence of the surviving feudal ideas in state life and among cadres and to step up legislation and judiciary work so that the citizens' rights, such as democracy, freedom, and equality, which are granted by the Constitution, can be effectively guaranteed.

In the entire period of socialist modernization, we must always conscientiously carry out the principle of "grasping both construction and the legal system" and vigorously step up the building of the socialist legal system. We should continue to vigorously step up legislation and judiciary work so that all people study and observe law. In so doing, it will be easier to engage in our country's modernization drive. It is stipulated in the party Constitution: "The party must conduct its activities within the limits permitted by Constitution and state law." Leading cadres at all levels should take the lead in observing the Constitution and state law, have a better sense of the legal system, and cultivate the habit of acting according to the law; they should resolutely eliminate such phenomena as breaking the law, "substituting personal remarks for the law," and "using one's position and power to suppress the law," and consciously obey the adjudications made by the law-enforcement bodies according to the law. It is necessary to step up economic legislation and to strive to change, as soon as possible, the conditions that are not in keeping with economic construction and reform so that all economic activities can gradually have laws to go by. Our laws should support and protect reform. We should enhance the authority of law-enforcement bodies. [paragraph continues]

The law-enforcement bodies at all levels and the vast numbers of public security, procuratorial, and judicial personnel must also improve their political and professional competence so as to genuinely ensure that "the laws are observed and strictly enforced and violators are brought to book." All citizens are equal before the law. It is absolutely impermissible for any "special citizens" to transcend the law and go scot-free despite their having committed all kinds of crimes. We should spread common legal knowledge among all cadres and citizens and encourage people to extensively study and understand the law and to consciously apply and observe the law. All these are indispensable to the improvement of the socialist legal system.

ON DEVELOPING SOCIALIST DEMOCRACY. The building of a socialist civilization that is materially and culturally advanced must be guaranteed and supported by the continued development of socialist democracy. A high degree of socialist democracy is one of the fundamental objectives and tasks of building a modern socialist country. A defect of the outdated system is that it has stifled the people's initiative and creativity and failed to suit the development of the productive forces. In order to bring into full play the initiative and creativity of the vast numbers of laborers, it is necessary, on the one hand, to correctly implement the socialist principle of distribution according to work and, on the other hand, to promote socialist democracy. Neither of them is dispensable. Through political structural reform we should further promote socialist democracy and make the decision-making process of leading bodies democratic and scientific so that the democratic rights of the vast numbers of laborers can be fully reflected in the political, economic, cultural, and other social aspects of the state. In this way, we can further kindle the genuine initiative and creativity of each laborer. This power is inexhaustible and inestimable. Only by promoting socialist democracy is it possible to exercise effective dictatorship over a handful of criminals and to ensure the smooth progress of socialist construction. Without socialist democracy there will be no socialist modernization. In strengthening socialist democracy, we should exert ourselves in many aspects. For example:

It is necessary to further develop the role of the people's congresses at all levels in national political life, and also the role of the CPPCC at all levels, the democratic parties, and the mass organizations. We should adopt a variety of forms and channels to enable the masses to actively take part in managing state and social affairs and to effectively supervise the party and government work personnel at all levels.

It is necessary to further develop democracy within our party. Party organizations at all levels should further implement democratic centralism and the system of combining collective leadership with individual division of labor. On 1 July this year, Comrade Hu Yaobang's talk on how to correctly handle two different types of contradictions within the party was made public. In this talk, he scientifically analyzed, on the basis of integrating theory with practice, the new conditions and problems of party building in the new historical period. We should consistently study and put it into practice.

ON SEPARATING PARTY WORK FROM GOVERNMENT WORK. For a long time, various phenomena, such as failure to separate party work from government work and replacement of the latter by the former, seriously existed in leading organs of our party and state at all levels. Failure to separate party work from government work has resulted in overconcentration of power, hindered government departments from establishing a powerful and relatively independent work system, and prevented them from giving scope to their functions. In fact, this has weakened the leadership of the party, impaired the efficiency of party and government organs, and encouraged bureaucratism. In order to improve and strengthen the leadership of the party, it is essential to separate party work from government work and to change the practice of replacing government work with party work.

After seizing political power, the proletariat must carry out the principle of separating party work from government work. In this connection, Lenin pointed out in 1922: "It is necessary to delimit much more precisely the functions of the party (and of its Central Committee) from those of the Soviet Government; to increase the responsibility and independence of Soviet officials and of Soviet Government institutions, leaving to the party the general guidance of the activities of all state bodies, without the present, too frequent, irregular and often petty interference." ("Complete Works of Lenin," Vol 33, p 221) On the principle of separating party work from government work, in his article "On the Reform of the System of Party and State Leadership," Comrade Deng Xiaoping has made a fairly comprehensive exposition and has put forward a series of important measures for its execution. In recent years, we have taken a big step forward in separating party work from government work. In the future, we should still continuously sum up experiences in this field and constantly forge ahead so that the principle of separating party work from government work can be realistically implemented in the leadership work of party and government organizations at all levels.

The question of how to further promote the reform of the political structure is of extreme importance. We should conduct more investigation and study and do more solid work. Attention must be paid to avoid stirring up a wind.

The historical duties of young and middle-aged cadres are many-fold. Doing a good job of the reform is our top priority duty. Judging from their present conditions, can our young and middle-aged cadres adapt themselves to this requirement? From which aspects should we continue to exert ourselves in order to be able to competently shoulder our historical duties?

Since 1982, 469,000 young and middle-aged cadres throughout the country have been promoted to leading posts at and above the county levels. On the whole, these comrades are in the prime of life; they have lively thinking, a relatively wide range of knowledge, certain creative capabilities, and fairly good basic qualities. With the support of old comrades, most of them prove equal to their tasks. The party and the people are positive about this. However, the young and middle-aged cadres should clearly see that, despite their many strong points, they also have some weak points. Politically, having grown up under the red flags, the vast numbers of young and middle-aged cadres have received fairly strict education and training and, under the guidance of the line of the 3d Plenary Session of the 11th CPC Central Committee, taken up leading posts. They love the party and socialism and can steadfastly carry out the party's principles and policies of opening up to the outside world and invigorating the domestic economy. It should also be noted, however, that we have not been tempered in the arduous revolutionary war years and that we have spent our youth or boyhood in the 10 years of turmoil. For this reason, we do not know much about the fine traditions of our party; by and large, we have a relatively poor foundation of Marxist theory and our political and ideological levels have yet to be further raised. In terms of the knowledge structure, many young and middle-aged cadres have received higher education, have a relatively wide range of cultural and scientific knowledge, and have widened our field of vision. It should also be noted, however, that in order to adapt ourselves to the needs of modernization and reform, we should further upgrade our knowledge. In terms of leadership capabilities, our young and middle-aged cadres have both enthusiasm and drive and the strong desire to carry out our work well. Many comrades are even bold in carrying out reforms and blazing new trails. It should also be noted, however, that having taken up leading posts in party and government organizations from the field of professional or technical work, many comrades are undergoing changes from "specialized personnel" to "versatile ones." Therefore, it is still necessary for us to seek more experience in providing overall leadership and to further enhance our ability to make macroscopic policy decisions. [paragraph continues]

In terms of training in party spirit, our young and middle-aged cadres have faith in communism, firmly support the line, principles, and policies laid down since the 3d Plenary Session of the 11th CPC Central Committee, and maintain political unanimity with the CPC Central Committee. It should also be noted, however, that quite a few comrades still lack strict training in inner-party democratic life and that they are not good at correctly understanding and handling various contradictions within the party, do not have a strong sense of the mass line, and are still not good at applying the weapon of criticism and self-criticism. For this reason, we should make further efforts to enhance our party spirit. In short, we should uphold the dialectic materialist method of analysis. We should not only see the strong points of young and middle-aged cadres so as to boost their confidence and to encourage them to work boldly; at the same time, we should also see their weak points, shortcomings, or defects. Otherwise, we shall not be able to go on advancing. Then, how should we exert ourselves?

1. We should Be Bold in, and Good at, Integrating the Basic Tenets of Marxism and the Decisions and Instructions of the CPC Central Committee With the Political Conditions in Our Locality, Department, and Unit and Work in a Creative Way

Marxism is not only a sharp ideological weapon with which the working class criticizes the old world but also a powerful cognitive tool with which the working class builds a new one. If the large numbers of young and middle-aged cadres want to shoulder their historical tasks, they must diligently study Marxism all their lives. All the successes we have achieved in revolution and construction in the past are the outcome of integrating the basic tenets of Marxism with the concrete practice of China. Now that we want to build socialism with Chinese characteristics, it is all the more necessary for us to strive to master the basic tenets of Marxism in light of the new practical conditions. Society is developing and the times are advancing. Marxism should also develop with the development of practice. It is wrong to doubt the truth of the basic tenets of Marxism just because some conclusions of Marxism are outdated; it is likewise wrong to regard Marxism as a rigid dogma and not as science. In the whole course of socialist modernization drive, we must unswervingly uphold the basic tenets of Marxism and apply them in solving various new problems in the reforms and construction of our locality, department, and unit; we must be bold in discarding some conclusions which prove to be outdated or not entirely correct through practice and substitute them with new conclusions which conform to reality. Only in this way is it possible for our cause and Marxist theory to advance. In the history of our party, we suffered greatly from dogmatist errors. In the new historical period, we should still take warning from previous errors.

Since the 3d Plenary Session of the 11th CPC Central Committee, our party has produced a series of important documents in the course of setting things to rights and conducting an overall reform. They are the outcome of integrating the basic tenets of Marxism with the reality in our modernization program. There is no doubt at all that they are a component part of the treasure house of Marxist theory and that they have made a new contribution in enriching and developing Marxism in many ways, such as the theory that the socialist economy is a planned commodity economy on the basis of public ownership, the theory on the agricultural production responsibility system; the theory on building a high degree of socialist spiritual civilization while building a high degree of material civilization; the theory on reforming and improving the system of party and state leadership; the theory on consolidating and expanding the patriotic united front, practicing the concept of "one country, two systems," and achieving the reunification of the motherland; and the theory on opening to the outside world. These theories are living Marxism enriched and developed by our party in the new period. It is wrong not to regard it as part and parcel of scientific socialism. Therefore, in studying Marxism, we should not only study the original works of Marxist classical writers but also the series of important documents of our party published since the 3d Plenary Session of the 11th CPC Central Committee.

Only by diligently studying Marxism is it possible for us to acquire a stronger sense of adhering to principles in our work, foresight, a systematic approach, and creativity. By and large the central instructions are geared to the needs of the whole country and are of universal significance. Some of the instructions are given in principle. Only by integrating them with the concrete practice in various localities, departments, and units and working them out in concrete forms is it possible to solve the problems in these places. Some others are concrete instructions or stipulations on certain tasks. They can be effectively implemented only in coordination with the concrete measures put forth by various localities, departments and units. Therefore, the important duty of our leading cadres at all levels, including our young and middle-aged cadres, is to be good at "integrating" them. We are now confronted with many new circumstances and problems in the course of conducting reforms, opening to the outside world, and building the two civilizations. This makes it all the more necessary for our vast numbers of cadres to be bold in, and good at, integrating the spirit of the central instructions with the reality in their own localities and to carry out their work creatively. We should not passively wait for the "red-letterheaded documents" from above in everything. Naturally, we must resolutely carry out the central documents and instructions. We should neither quote them out of context nor practice pragmatism by carrying out what suits our taste and refusing to carry out what is not to our taste. This phenomenon of having a poor sense of organization and discipline must be conscientiously overcome. At the beginning of this year, at the graduation ceremony of the Central Party School, Comrade Hu Qili pointed out: You have finished your studies at the party school but you have not finished the task of studying Marxism. It is hoped that you will launch an emulation drive to see who studies better and achieves more outstanding successes in the great classroom of social practice. All young and middle-aged cadres should put such demands on themselves.

2. We Should Step up Training in Party Spirit and Become the People's Public Servants Who Are Honest in Performing Their Official Duties

As the backbone force of the party's cause, the young and middle-aged cadres are shouldering the heavy tasks entrusted by the party and the people. They should keep firmly in mind the objective of serving the people wholeheartedly, constantly strengthen cultivation in party spirit, inspire revolutionary spirit, perform their official duties honestly, do solid work, keep forging ahead, and maintain close links with the masses. Only in this way can they unite with and lead the broad masses in fulfilling their bound historical tasks.

Under the conditions of opening to the outside world, our young and middle-aged cadres should keep a clear head and enhance their ability to resist the corrosion of decadent capitalist and backward feudal ideas. If we slacken our vigilance, we should be in danger. When you take up a leading post, there will be people "licking your boots." In contravention of party principle they only tell you what is nice and do hard work for you; they help you solve your housing problem and other issues relating to your children. In appearance, they help you solve some difficult problems; in fact, they help you exercise privileges, engage in unhealthy practices, and cut yourself off from the masses. In the face of these people who "are more of a hindrance and a help," young and middle-aged cadres will make mistakes if they do not keep a clear head and resolutely break out of the "encirclement." They should also keep a clear head in the face of their families. Family members often affect us in their special capacities. If we fail to handle this question well, it will greatly affect our work. We should therefore pass the "family test" if we want to become leaders who are honest in performing our official duties.

At present, young and middle-aged should pay particular attention to having a correct approach toward changes in their posts. They should let the organizations and the people arrange everything for them. [paragraph continues]

No party organization at any level or leader should promise high posts and other favors to young and middle-aged cadres. On the contrary, the party organization or leader should tell them what is expected of them, set strict demands on them, and rely on the masses and practice to select and assess them. This is an unshakable principle. In violation of party principle and discipline, some leaders tell the people concerned the arrangements made on the "third echelon" and promise to let them take over and become secretaries or heads in the future. This is quite unfavorable to the growth of the people concerned. After hearing the arrangements, some people go to the grass-roots units with the idea of "getting gilded." Far from sharing weal and woe with the people there and making long-term plans to do good for the people, they want to fish for political capital, wait for the promotion, or ask for official posts. It is even highly erroneous for some people seek promotion by currying favor with people in authority and by using unjustifiable means. We should never trust and promote this kind of people. It should be pointed out that it is necessary and correct to set up the third echelon of cadres. Nevertheless, some comrades listed in the third echelon will probably be promoted after they have gone through practical training and some will probably be replaced by more outstanding comrades. This is precisely an indication that the ranks of our party cadres are full of vitality and that there is no lack of successors to carry on the party's cause.

3. We Should Take Over and Carry Forward the Party's Fine Traditions of Hard Struggle

At the 3d Plenary Session of the 12th CPC Central Committee, the central authorities reaffirmed that at no time should we discard the fine tradition of "building the country through diligence, thrift, and hard work." This tradition is closely related to the glorious career of our party, the noble qualities of the proletarian revolutionaries of the older generation, and the life of our people's republic. The spirit of hard struggle is essentially the dynamic spiritual conditions inherent in China's working class and its vanguard. This dynamic spiritual conditions are necessary not only in the revolutionary war years but also in the period of peaceful construction.

In the period of socialist modernization drive, due to changes in historical conditions, the spirit of hard struggle should be provided with richer contents. In advocating and carrying forward this tradition, we do not call on all people to become ascetics. On the contrary, we hope that the people will live an increasingly better life and that we shall be able to gradually modernize our working conditions. In taking over and carrying forward this tradition today, the most important thing is to carry forward the spirit of overcoming difficulties and keeping on fighting in spite of all setbacks and, in the interests of the motherland and the people, to carry on a tenacious struggle and to be bold in giving our lives. No matter where they are and whatever posts they hold, our young and middle-aged cadres should carry out well the reform and construction with this spirit and strive to do their jobs well.

In stressing the need to carry forward the spirit of hard struggle, we also have another practical purpose, that is, we call on our young and middle-aged cadres to boldly go down to the grass-roots units, to the frontline of production, and to places where conditions are hard to contribute their wisdom and talent. These places urgently need young and middle-aged cadres who understand theory and management and who have both courage and insight to open up a new situation. What did the students of the Chinese People's Anti-Japanese Military and Political College do after graduation? Comrade Hu Yaobang said on many occasions that after graduation, the students of the Chinese People's Anti-Japanese Military and Political College went to the front, to Army units at the company level, and to places where the struggle was most arduous. As I understand it, the gist of this remark is that the best steel should be used in the knife's blade. The trained personnel of the party should go where they are most needed by the party and the people.

Ours is a country with a vast territory. Our economic and cultural development is very uneven. Due to various reasons, a small number of regions have not succeeded in shaking off poverty and backwardness. Most of them are mountainous areas. Some are regions where minority nationalities live in compact communities, the old revolutionary base areas, and the outlying areas. The old revolutionary base areas, and the outlying areas. The old revolutionary base areas have nurtured revolution and brought up hundreds of thousands of people's soldiers. In some of these areas the question of food and clothing has not been solved. Whenever we think of this, we feel uneasy. The party and state leaders have always remembered these places and have adopted numerous measures to help them solve their problems. It is now necessary to change the poverty and backwardness of these areas once and for all. These areas are poor and backward because of their poor natural conditions. But the fundamental reason is the shortage of competent personnel. Our young and middle-aged cadres should aspire to go to these places. The working and living conditions in these places are poor but the advantage is that the harder the conditions the better people are trained. Moreover, our young and middle-aged cadres are duty-bound to go where conditions are hard. We should make further efforts to carry forward the spirit of hard struggle and set store by the party's cause and the need of work. No matter in what work posts we are, we should carry out a tenacious struggle and give scope to our skills in order to push the reform forward, to change the outlook there, and to do solid and good work for the people in a down-to-earth manner. The people will never forget such cadres.

4. We Should Become Qualified Leaders Suited to the Needs of the Modernization Program

In addition to taking over and carrying forward the fine tradition of the revolutionaries of the older generation, our young and middle-aged cadres should also be provided with the ideas, knowledge, decision-making capacity, and work style needed to lead the modernization program.

WE SHOULD DO AWAY WITH THE FEUDAL IDEAS OF SMALL-SCALE PRODUCTION AND FOSTER THE IDEA THAT IS IN KEEPING WITH THE REFORM AND MODERN MASS PRODUCTION. In China's long feudal society, social production was chiefly carried out by small producers. Due to the limitations of their production conditions, the small producers developed conservative, narrow, and backward consciousness and ideas. Although fundamental changes have taken place in the historical conditions today, the surviving old ideas of small producers can still exercise an influence that should not be underestimated. If we want to develop a planned socialist commodity economy, we should do away with the idea of self-sufficient natural economy; if we want to be eager to carry out reform and bold in blazing new trails, we should do away with the narrow, conservative, and self-satisfied ideas of sticking to the old ways; if we want to develop lateral economic links and expand economic, scientific, and cultural exchanges with foreign countries, we should do away with the ideas of national seclusion and feudal separatists rule and the ideas of restricting people's activities to a designated areas or sphere and shifting trouble onto others; if we want to attach importance to science and information, we should do away with the idea of looking down upon knowledge; if we want to practice strict economy, reduce cost, and improve economic results, we should change the idea of not being concerned about cost and benefit; and, if we want to promote socialist democracy, we should break with the feudal patriarchal idea, the social estate idea, and the idea of social attachment. Our young and middle-aged cadres should take the lead in these fields.

WE SHOULD STUDY HARD MODERN MANAGEMENT SKILLS. In a sense, leadership work is management work. Mastering the skills of modern enterprise management can help us to correctly exercise decision-making power in enterprises; mastering macroeconomic management skills can help us to effectively apply various economic levers and adjusting and controlling the economy; mastering the skills of modern administrative management can help us to rationally set up organizations efficiently operate them; and mastering social management skills can help us to deal properly with various social affairs. [paragraph continues]

It should be noted that, compared with the developed countries, we are backward not only in science and technology but also in management. In order to change this backwardness as quickly as possible, we should fully utilize the favorable conditions provided by the policy of opening to the outside world and, proceeding from the practical conditions in our country, conscientiously study and assimilate from all countries, including the developed capitalist countries, advanced science and technology and advanced management expertise reflecting the law governing socialized mass production.

WE SHOULD BE GOOD AT MAKING SCIENTIFIC DECISIONS. Making decisions is one of the most fundamental duties of a leader. Young and middle-aged cadres must constantly enhance their ability to make scientific decisions and must master and apply scientific decision-making methods in order to suit the needs of modernization. To lead socialized mass production, to conduct social management on a large scale, and to engage in an arduous and complicated all-round reform, it is necessary for us, before making a decision: To be familiar with relevant information; to rationally predict the development of things; to make the correct choice among different plans; to work out systematic plans for its implementation; and to promptly make necessary revisions in the course of its implementation. It is absolutely beyond the ability of a leader to complete all these by dint of his individual experience and efforts. This makes it necessary to rely on the force of science and to give scope to the role of decision-making groups. The young and middle-aged cadres who hold leading posts should attach importance to the role of consulting bodies.

WE SHOULD HAVE A FINE TRADITION OF STRESSING EFFICIENCY AND DEMOCRACY. With the development of the planned commodity economy, the requirements on administrative and leadership efficiency will be higher. Moreover, with the development of political democracy, people's democratic consciousness will be stronger and, therefore, they will set higher demands on the democratic work style of individual leaders. Young and middle-aged cadres should fully recognize this. They should not become young bureaucrats but should consciously cultivate the style of stressing efficiency and democracy.

Comrade Mao Zedong quoted Gong Zizhen as saying: "I hope that heaven will rouse itself and send down competent people without sticking to one pattern." Our great era will certainly bring up hundreds of thousands of outstanding personnel. After undergoing protracted practical training, Marxist theoreticians, outstanding party and government leaders, and outstanding socialist industrialists and entrepreneurs will certainly emerge in large numbers among our young and middle-aged cadres. The party and the people expect it of us! So does China's rejuvenation and the 21st century! Let us work hard to jointly fulfill the glorious historical task!

DOCUMENTS ON LONG MARCH SLATED FOR PUBLICATION

OW201432 Beijing XINHUA in English 1233 GMT 20 Sep 86

[Text] Beijing, September 20 (XINHUA) -- China is planning to open a treasure chest of documents concerning the historical "Long March" -- one of the most important events leading to the founding of New China in 1949.

For the first time documents, telegrams, files and other memorabilia from the 12,500-km Long March (1934-35) by China's worker-peasant Red Army will be unveiled to the public in the form of a six-volume set of books.

The first volume of the series, entitled "Red Army's Long March", will go on sale in October, coinciding with the 50th anniversary of the joining of the Red Army's three fronts.

The Red Army -- the predecessor of the People's Liberation Army, China's Armed Forces -- made the march in a strategic move from several bases in the south to the northern Shaanxi Province. The previously unreleased historical documents show how the Chinese Communist Party and the Red Army formulated its strategies. They also outline how late Chairman Mao Zedong led the Red Army out of a potential disastrous situation. The march began because the Red Army had been encircled by enemy troops and was on the verge of defeat.

The new works offer evidence on how top Red Army leaders waged struggles against Zhang Guotao's, a traitor who schemed to split the Red Army's united forces. The books will show how the Kuomintang authorities and troops arranged to encircle, pursue, obstruct and intercept the Red Army. The books, to be printed by the People's Liberation Army's Military Academy, will include maps of march routes, illustrations of major battles, photos of artifacts and historical sites, along with the reminiscences of the Kuomintang generals during that period.

XI ZHONGXUN PRAISES LITERARY, ARTISTIC WORKERS

OW200650 Beijing XINHUA Domestic Service in Chinese 1300 GMT 18 Sep 86

[By reporter Yin Hongzhou]

[Excerpt] Beijing, 18 Sep (XINHUA) -- Some 130 public figures from literary and artistic circles happily gathered in the auditorium of the United Front Work Department of the CPC Central Committee to celebrate the Mid-Autumn Festival this afternoon. During the gathering, they cheerfully chatted about the bright future of literary and artistic undertakings and their longing for compatriots in Taiwan and overseas. Leading Comrades Xi Zhongxun, Zhou Gucheng, and Yang Jingren, as well as responsible persons of the departments concerned, attended the tea party given by the Ministry of Culture and the United Front Work Department.

In his speech at the party, Xi Zhongxun first extended his festive greetings to friends in China's literary and artistic circles and to compatriots in Taiwan, Hong Kong, Macao, and overseas. He said: Autumn is a harvesting season. China's literary and artistic circles this year have again reaped bumper harvests; they are thriving with more creative work, talented writers and artists, and a steady ongoing reform. These achievements are due to the implementation of the principle of "letting a hundred flowers blossom and a hundred schools of thought contend" and the hard work done by writers and artists.

Xi Zhongxun pointed out: Over the past year, China's writers and artists have played a great role in raising people's ideological level and moral values, in satisfying people's thirst for knowledge and aesthetic demand, in enriching their cultural life, and in inspiring them to work hard at the four modernizations for the prosperity of the country. We must fully trust and rely on the writers and artists, unite with all possible groups, mobilize all positive factors, and bring about an environment of democracy, unity, and harmony. We must create an atmosphere of mutual understanding, mutual trust, mutual respect, and mutual support, and strive to open up a new field for socialist literature and art. He urged the comrades in literary and artistic circles to bring into better play the role of literary and art work in building the two civilizations; to unite with all patriots abroad; and to make due contributions to realizing the great cause of peaceful reunification of the motherland and the development of China. Minister of Culture Wang Meng and Yan Mingfu, director of the United Front Work Department of the CPC Central Committee, also spoke at the party. [passage omitted]

ANHUI SCIENCE, TECHNOLOGY UNIVERSITY UPGRADED

OW201927 Beijing XINHUA in English 1543 GMT 20 Sep 86

[Text] Hefei, September 20 (XINHUA) -- China has begun efforts to build the Chinese University of Science and Technology in this capital of Anhui Province into one of the world's first-class comprehensive science and engineering educational institutions.

A foundation stone was laid today for a new campus zone, known as a "mini-city of science", which will accommodate laboratories, research facilities, buildings for academic activities and dormitories, with a total floor space of 167,000 square meters. With a planned investment of 93 million yuan (25 million U.S. dollars), the project, which was approved by the State Council as a key item, will be completed in 1990.

Yan Jici, vice-chairman of the Standing Committee of the National People's Congress and honorary president of the university, performed the ceremony. As one of China's major bases for training scientists, the university was established in 1958 and moved to Hefei from Beijing in 1970.

XINHUA FEATURES SUZHOU'S INDUSTRY, AGRICULTURE

OW201218 Beijing XINHUA in English 1037 GMT 20 Sep 86

["News feature: Old City With a Strong Future" -- XINHUA headline]

[Text] Suzhou, September 20 (by XINHUA correspondent Gao Feng) -- Suzhou, now celebrating its 2,500th birthday next month, has much to be proud of beside a longstanding fame for its history and scenery. It is now one of China's leading scenic centers, and stands fourth among China's 300 cities in terms of annual output value of industry of agriculture, Mayor Yu Xingde told XINHUA today.

About the 11th century B.C., a kingdom called "Wu" was established in the area round the Lake Taihu. And in 514 B.C., King He Lu of Wu build a wall round his capital called "Gu Su", which later became what is now Suzhou City. The 13th century Italian traveller Marco Polo was amazed at the beauty of the city, which had inspired countless ancient Chinese poets and writers in their creative writing.

Today, the city is known abroad as the "Venice of the Orient", as Marco Polo called it. "China received 1.8 million tourists fromover seas last year," said Mayor Yu. "And one tenth of them came to our city." Nevertheless, tourists of today have much more to see than Marco Polo. In addition to the numerous rivers criss-crossing the area, they can see 200 garden courtyards built during the Ming and Qing dynasties from the 14th to the 19th century.

The city has spent more than 20 million yuan in recent years having 30 most famous gardens repaired, the mayor said. This is part of the 289 million yuan allocated by the city government to make the city more attractive. Other projects undertaken so far include development of new scenic spots and road building, the mayor said.

As a matter of fact, he said, the State Council, China's highest governing body, has approved a plan to protect Suzhou as a cultural city and a city of historical interest.

While celebrating its 2,500th birthday, the city will also show its guests from all over the world what it has achieved in economic development. With industry and agriculture production generating 21.5 million yuan last year, Suzhou ranks fourth in the country behind Shanghai, Beijing, and Tianjin.

Rural farming and community enterprises yielded half of the city's total production value last year. Mutual development of rural industry and agriculture is called by economists as "Suzhou model".

In addition, last year, Suzhou joined the Shanghai Economic Development Zone in the Yangtze River Delta, China's most economically developed region.

Suzhou craftsmen are especially known for their silk production, making the city one of three silk export bases in China and earning 100 million U.S. dollars last year.

JIANGSU'S HAN PEIXIN AT PUBLIC SECURITY EXHIBIT

OW212055 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 19 Sep 86

[Excerpts] The largest military and professional exhibition of public security departments ever held in our province since the PRC's founding took place at the (Qichun) Range in Nanjing on the morning of 19 September. [passage omitted]

Present at the exhibition were Jiang Weiqin, member of the Central Advisory Commission; responsible persons of Jiangsu Province and Nanjing City including Han Peixin, Shen Daren, Gu Xiulian, Sun Han, Chen Huanyou, Chu Jiang, Zhou Ze, Yue Dewang, Hu Fuming, Luo Yunlai, Cheng Bingwen, Xing Bai, Zhang Yaohua and (Hu Xijian). [passage omitted]

HAN PEIXIN ATTENDS JIANGSU SECRETARIAL CONFERENCE

OW211445 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 18 Sep 86

[Excerpts] A provincial conference on secretarial work in government agencies which ended yesterday suggested that under the new situation of reform, opening to the outside world, and invigorating the economy, secretaries in government agencies should acquire a sense of information, time, and education, and handle their work scientifically, systematically, and in accordance with established rules. They should use modern communications technology to transform the work of government agencies and to increase work efficiency. [passage omitted] Han Peixin, secretary of the provincial party committee, and Gu Xiulian, governor, spoke at the conference.

SHANGHAI SEEKS FUNDS FROM INTERNATIONAL MARKET

OW201518 Beijing XINHUA in English 1456 GMT 20 Sep 86

[Text] Shanghai, September 20 (XINHUA) -- The State Council has agreed to allow Shanghai, China's leading industrial center, to borrow money from the international financial market directly, Mayor Jiang Zemin announced here today. At a meeting of local officials, he said the city council has decided to set up a leading group headed by a vice-mayor to take charge of the work.

Such funds will include government, World Bank and international commerce loans, and money collected through issuance of bonds abroad. The hard currency borrowed will be funneled to infrastructure, technical transformation of industry and agriculture, export-oriented businesses, and tourism and other tertiary economic sectors, he said at a press conference after the meeting. Key items will include subways, a bridge on the Huangpu River, the Hongqiao Airport, sewage treatment and telecommunication projects, he said.

To help repayment, he said, the state has granted Shanghai more powers to approve projects involving foreign funds and a large portion of the profits for local disposal. The city council will give preferential treatment to enterprises with foreign investment.

Local economists said that this is an important experiment in borrowing and paying back foreign loans by a city during the current economic reform. According to well-informed sources, Premier Zhao Ziyang and other senior leaders have encouraged Shanghai to pool funds from international financial markets, especially by using foreign commercial loans.

The economists analysed that it is feasible to use foreign funds but the real risk is how to keep the balance between the amount of loans and the ability to repay. To this, the mayor said, "We are confident of our ability to repay. There are risks but we shall make it a success by careful planning." A group of experts have been making such plans since last year.

Shanghai approved the opening of 192 enterprises with foreign investment by the end of August of this year, according to the mayor; ninety have already gone into operation and the rest are under negotiation. The mayor acknowledged that Shanghai is faced with lack of infrastructural facilities and low efficiency. "But the municipal government is adopting measures to create a suitable environment for foreign investment," he added.

Shanghai has used foreign funds exceeding 1.7 billion U.S. dollars so far, of which 1.35 billion U.S. dollars were in direct foreign investment and the rest, credits in kind.

ZHEJIANG ISSUES 1986 CONSCRIPTION ORDER

OW211431 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 18 Sep 86

[Text] Governor Xue Ju and provincial Military District Commander Li Qing today issued the 1986 conscription order. The province will start to recruit soldiers for the PLA and the Armed Police units on 10 October.

The order stipulates the age and requirements for prospective soldiers as well as conscription time and methods. It calls on people's governments and military service organs at all levels to make meticulous, appropriate arrangements for conscription work and adopt effective measures to ensure the quality of new recruits. It is necessary to give extensive and thorough publicity to military service laws and regulations, enhance education in patriotism and revolutionary heroism, earnestly implement the policy of giving special care to disabled servicemen and to family members of revolutionary martyrs and servicemen, and give favoured treatment to conscripted servicemen's families so as to arouse the enthusiasm of young people to enlist.

The provincial people's government and Military District convened a provincial meeting on calling up new recruits to replenish the ranks and placing demobilized soldiers in Hangzhou this afternoon to study and draw up work plans.

CHEN GUANGYI ON FUJIAN-SHANGHAI ECONOMIC TIES

OW180931 Shanghai JIEFANG RIBAO in Chinese 13 Sep 86 p 1

[By reporters Chen Chi and He Wannan]

[Excerpts] According to a special dispatch from JIEFANG RIBAO reporters in Fujian, the leading party and government comrades in Fujian Province recently told them that, after joining the Shanghai Economic Zone, Fujian will definitely be able to quicken its pace in making reform, opening the province to the outside world and contributing more to the development of the four modernizations program and the peaceful reunification of the motherland. When the reporters visited Fuzhou, Quanzhou, Zhangzhou and Xiamen, a jubilant atmosphere prevailed everywhere in support of Fujian's role in the Shanghai Economic Zone.

Chen Guangyi, secretary of the Fujian Provincial CPC Committee; and Cai Ninglin, Standing Committee member of the provincial party committee and vice governor of Fujian, told reporters that the central authorities showed great concern and attached great importance to Fujian's construction work. They said: The State Council's approval of Fujian's participation in the Shanghai Economic Zone is another important measure after the decisions on the implementation of special policies and flexible measures in Fujian and on opening up the Xiamen Special District, the city of Fuzhou and the Minnan Delta Economic Zone to the outside world. This measure is of great significance. [passage omitted]

To tap intellectual resources and bring into full play the role of the intellectuals is an important task for Fujian Province and the Shanghai Economic Zone. Comrades Chen Guangyi and Cai Ninglin stressed the need to train and recruit competent people from other localities and even overseas. [passage omitted] They hoped that all types of professionals, inside and outside the Shanghai Economic Zone, would come to Fujian to build up the province. They are welcome even if they only wish to come to Fujian to give lectures on a short-term basis or give training classes.

Comrades Chen Guangyi and Cai Ninglin told reporters: Compared to various fraternal province and cities, Fujian is an economically weak province. However, it has its own unique natural conditions and abundant natural resources in its mountainous and coastal areas. The Shanghai Economic Zone is the largest comprehensive economic zone in China. Our task is to rapidly turn our natural resources into a favorable factor in developing a commodity economy with the support and coordination of all fraternal provinces and cities. [passage omitted]

Both Chen Guangyi and Cai Ninglin stressed the need to strengthen lateral economic ties and the exchange of information within the Shanghai Economic Zone. They hoped that JIEFANG RIBAO would play its role fully as the publicity and information center for the Shanghai Economic Zone. They pledged their full support to JIEFANG RIBAO's distribution and sale in the province.

GUANGDONG LEADER ON SPIRITUAL CIVILIZATION

HK190255 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 18 Sep 86

[Text] The provincial meeting to exchange experience in building civilized units concluded this afternoon. Provincial party committee Secretary Lin Ruo made a speech in the morning, putting forward five demands on how to do a good job in building spiritual civilization.

Comrade Lin Ruo said: The most important way to succeed in this work is to meet the requirements of socialist modernization by cultivating a generation of new people with ideals, morality, education, and discipline and improving the ideological and moral qualities and the science and cultural standards of the whole nation. Proceeding from this fundamental task, and in connection with Guangdong realities, we should at present get a good grasp of the following five tasks:

1. We must seriously strengthen and develop science, culture, and education.
2. We must develop social culture.
3. We must establish and bring into play socialist morality; in particular, we must promote social ethics. This is an important cardinal link in building socialist morality.
4. We must strengthen the building of socialist democracy and the legal system.
5. We must step up the work of tidying up the urban and rural environment and make the ecological environment quiet, green, and beautiful.

Comrade Lin Ruo said in conclusion: The key to doing a good job in building spiritual civilization lies in strengthening party leadership. The party organizations at all levels must strengthen party leadership and grasp the building of spiritual civilization as a tough task to be tackled regularly and repeatedly.

CLOSURE OF SHEKOU CONTAINER COMPANY ANNOUNCED

HK170519 Guangzhou YANGCHENG WANBAO in Chinese 15 Sep 86 p 1

[Report from Shenzhen by Zhen Shije: "The China International Sea Transportation Container Co. Ltd. in Shekou Declares Suspension of Production"]

[Text] The China International Sea Transportation Container Co. Ltd. in Shekou declared suspension of production the other day.

The company was jointly operated by the China Merchant Steam Navigation Company under the Ministry of Communications and the Danish (Baolong) [1405 7127] Company in 1981 with a total investment of \$3 million and an annual output of 5,000 6. 1-meter (20-foot) standard containers. It was originally estimated that each container would bring a profit of at least \$400. At the start of business, the supply did not meet the demand. The products were sold as far away as Britain, the United States, Denmark, Canada and other countries. [paragraph continues]

But since the beginning of last year, world shipping has been in a slump. Foreign enterprises have gone bankrupt one after another. There has also been a sharp drop in the company's orders. Given fierce competition on the market, there has been a loss of \$100 on each container produced. After analyzing the situation, the company's board of directors decided that it was not wise to continue production. After the manufacture of the last container for this year's orders in the second part of last month, production was suspended.

Most of the 300-odd workers of the company have now been successively reassigned to proper jobs. The remaining 70-plus workers not yet placed have been referred to the labor personnel department of the relevant industrial zone, so that they can be properly taken care of.

GUANGXI LEADERS DISCUSS FORESTRY PROBLEMS

HK200537 Nanning Guangxi Regional Service in Mandarin 1100 GMT 19 Sep 86

[Excerpts] On 15 and 16 September, leading comrades of the regional party committee held a forum at the Forestry Department to discuss with forestry scientists and technicians schemes for greening Guangxi and developing forestry production. [passage omitted]

The participants cited hosts of facts to show that forestry resources have been seriously damaged in recent years due to failure of management measures to keep up with requirements in some places. The region's forestry reserves have declined by 9.15 percent in the past 5 years and forest cover has dropped from 23.3 percent in 1978 to 22 percent now. Thirty out of 360 medium and small rivers whose sources are in forest areas have now dried up, while the flow of a further 103 has dropped by 50 percent. As a result, the effectiveness of 600 reservoirs, 1,400 medium and small hydroelectric stations, and thousands of water conservancy and irrigation facilities has been seriously affected, the ecology has been thrown off balance, the climate has changed, and flood, wind, and tide disasters are becoming more and more frequent.

The participants therefore held that protecting the existing forests is an urgent task. It is essential to strengthen leadership over forestry production and take resolute and decisive action to put a stop again to unlicensed and indiscriminate lumbering and to looting timber belonging to collective and state-owned forest farms. It is essential to ensure that the lumbering limits are adhered to, and to do a good job in controlling the timber market and timber transportation. We must resolutely reverse the situation in which the amount of timber cut down exceeds that which is growing up.

The participants put forward many rational suggestions on how to basically turn Guangxi green in 15 years, from the angles of building a forestry science and technology force, training talent, planning and design work, seed collection, sapling cultivation, and scientific sowing. [passage omitted]

Regional leaders Chen Huiguang, Li Zhenqian, and He Youjia attended the meeting and listed to everyone's views.

HENAN LEADERS HELP FIGHT SERIOUS DROUGHT

HK190333 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 18 Sep 86

[Excerpts] The autumn drought in Henan this year is one of the most serious ever recorded. Over 40,000 cadres have gone down to the grass roots to lead the masses in fighting the drought and protecting the autumn crops. At present the masses are in good spirits and their enthusiasm for production has surged. They are striving to reap more from the autumn harvest.

Since the beginning of summer, just at the crucial moment in the growth of the autumn crops, the province has had high temperatures and little rain. Rainfall has been 40 percent to 70 percent below normal for the period. Drought is serious in 108 of the province's 128 counties, and the area affected by drought has reached 75 million mu. In many places rivers, medium and small reservoirs, and ponds have dried up. Even drinking water for people and livestock is hard to find.

In the past few months, the party committees and government in the province have taken a series of measures to mobilize and organize the masses to launch the masses against drought. [passage omitted] Provincial party committee Secretary Yan Xizong and Governor He Zhukang have gone to seriously drought-affected counties and townships in eastern, western, and northern Henan and the Zhengzhou outskirts to study with the cadres and masses methods of fighting drought and protecting the autumn crops and solving problems of diesel fuel, power, and capital needed for fighting the drought.

Over 10 million people have been directly taking part in the fight against drought since July. In addition to the capital and materials provided by various central ministries and commissions to support the fight against drought, the masses themselves have raised 180 million yuan. Some 30 million yuan have been made available from provincial, prefectural, and county finances, together with 170,000 tons of diesel fuel and an extra 500,000 kilowatt hours of electricity for agricultural use. [passage omitted]

HUNAN LEADERS ATTEND SPORTS MEETING 19 SEP

HK200241 Changsha Hunan Provincial Service in Mandarin 0100 GMT 20 Sep 86

[Excerpts] The sixth provincial sports meeting opened in Xiangtan City on 19 September. [passage omitted] Mao Zhiyong, Xiong Qingquan, Liu Zheng, Liu Fusheng, Shi Xinshan, Chen Xingling, and Jiang Jinliu, responsible comrades of the provincial party, government, and army, attended the opening ceremony. [passage omitted] Governor Xiong Qingquan delivered the opening speech. [passage omitted]

GUIZHOU LEADERS MEET FACTORY MANAGERS, STAFF

HK180925 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 17 Sep 86

[Text] Between 26 July and 30 August, the Guizhou Provincial CPC Committee's leaders held four weekend chat meetings with over 80 factory managers, secretaries, young theoretical circle workers, literature and art circle workers, and responsible people from democratic parties. They exchanged opinions and promoted understanding among each other.

In the past, leaders of the provincial party committee were acquainted with the situation in the following ways: First, by listening to reports and reading material; and second, by conducting investigations in townships and factories. In order to improve leadership work in the course of replacing the old with the new, to promote reforms of the economic and political structures, and to create a harmonious and democratic environment, the provincial party committee decided that while continuing to carry out effective methods, we should take the weekend chat meetings as a new measure for provincial party committee leaders to strengthen contacts with people of various circles so as to understand the situation, further improve work style, and maintain close contacts between the upper and lower levels.

The provincial party committee also decided that the aim of weekend chat meeting was to exchange information, promote understanding and pool the wisdom of the masses. The meeting was held with the following aims: First, to avoid making lengthy reports; second, to avoid studying specific issues. It is mainly to understand the thinking of comrades work on various fronts, to listen to their criticisms and suggestions, and to explain the work of the provincial party committee.

In connection with this guiding ideology, leaders of the provincial party committee have presided over the meetings meticulously. The four meetings held were alternatively presided over by Hu Jintao, secretary of the provincial party committee, and Ding Tingmo, deputy secretary of the provincial party committee. Other provincial party committee Standing Committee members who were in the province, as well as leaders of the provincial Advisory Commission, the provincial government, the provincial CPPCC and some provincial organs, also attended the meetings.

Amid the united, trustful, harmonious and democratic atmosphere, comrades from various fronts frankly criticized the work of the provincial party committee by proceeding from their points of view, and expressed their feelings about their work, particularly their experiences of carrying out reforms.

In addition, they suggested ways and means to further add vitality to enterprises, strengthen the province's economic development work, develop cultural undertakings, and give play to the democratic parties and industrial and commercial associations' roles of helping people attain prosperity and promoting reunification of the motherland. The participating leaders seriously studied the points and explained the situation. At the same time, provincial party committee leaders urged the provincial party committee office to compile and distribute relevant documents to the departments concerned for studying and to help them further improve their work.

YUNNAN PARTY MEETING SETS RURAL WORK TASKS

HK180331 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 17 Sep 86

[Excerpts] The Yunnan Provincial CPC Committee's work conference concluded in Kunming on 17 September. The meeting proposed that the guiding idea on rural work in the province in the coming winter and spring is to take party rectification as the motivating force, rural agricultural development as the center, and strengthening the building of spiritual civilization and doing a good job in education in professional ethics as the guarantee, get a thoroughly good grasp of rural party rectification, and ensure that this main thread runs through all work. [passage omitted]

The meeting stressed that it is essential to get a good grasp of the following matters in rural work in the coming winter and spring: 1) Unfold universal party rectification, setting high standards and strict demands. 2) Carry out reforms in depth, develop commodity economy, and raise to a new level the rural activities to increase income and get rich. 3) Strengthen the building of spiritual civilization, carry out education in socialist professional ethics, and correct sectoral malpractices. 4) Strengthen the building of the democratic system and do a good job in elections for the next term of county and township people's deputies.

Provincial party committee Secretary Pu Chaozhu spoke at the beginning and end of the meeting. Other leading comrades of the committee and responsible comrades of the provincial Commission for Guiding Party Rectification also spoke. [passage omitted]

The meeting stressed that doing a good job in rural party rectification is the motive force stimulating all rural work. In carrying out rectification, it is essential to give the party members education in party ideals, program, and spirit, and seriously resolve the problem of how rural party members can play a vanguard and model role. It is necessary to carry out education in the situation and policies, to ensure that the party members will establish the new concept of persevering in reforms and developing commodity production. It is necessary to conduct education in party discipline and style and in the legal system, to resolve a number of current unhealthy practices among some party members such as enriching themselves at public expense, taking over collective property, and occupying excessive land for building houses. [passage omitted]

The meeting also stressed that carrying out reforms in depth, developing commodity economy, and raising to a new level the activities to increase income and get rich are the central tasks in all rural work. In conducting party rectification, it is necessary to carry out education in the concept of commodity production. [passage omitted]

I. 22 Sep 86

PRC REGIONAL AFFAIRS
NORTH REGION

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BEIJING'S INCREASED RAINFALL EASES WATER SHORTAGE

OW181220 Beijing XINHUA in English 1203 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- Beijing has a total rainfall of 458 millimeters this summer, one of the best in recent years, helping ease the city's acute water shortage, according to the Beijing Meteorological Station today. The city area and the suburban county of Miyun had more rainfalls as compared with other parts of the greater Beijing. This has added 200 million cubic meters of water into the city's biggest reservoir -- the Miyun Reservoir -- in Miyun County.

This summer's favourable rainfalls have eased existing acute shortage of water in China's capital caused by successive droughts in recent years. But, the municipal government has still urged its more than 9 million residents to save water. According to an earlier news report, the water resources for each Beijing resident only accounts for one sixth of the national average and one 25th of the world standard. Beijing is listed after 100 other capitals and major cities in the world in terms of water scarcity.

Chinese scientists hold that saving water, exploring and protecting new water resources are still the most effective measures for the present and future to fight against water shortage. An official from the Beijing Meteorological Station said the rainfalls this summer did not cause any big hails and floods. In July, 26 days had rains, most in nights.

The favourable rainfalls have benefited autumn crops. The city agricultural department predicted that Beijing will have a bumper autumn harvest. Thanks to the rainfalls, more than 12,000 hectares of land were afforested by air-seeding in July. 5,300 hectares more than last year, and Beijingers had a cool summer.

BEIJING CITY LEADERS GIVE PARTY LECTURES

OW212102 Beijing XINNUA Domestic Service in Chinese 1509 GMT 19 Sep 86

[By reporters Huang Zhamin and Xu Xiaoping]

[Text] Beijing, 19 Sep (XINHUA) -- Some 2,000 leading cadres at and above the district, country, and bureau levels in Beijing City have attended party classes sponsored by the city party committee under a unified plan.

Since May this year, Li Ximing, secretary of the city party committee, Deputy Secretaries Jin Jian and Xu Weicheng, and others have given party lectures at the classes in light of the actual situation of the ideology and work of leading cadres at and above the district, county, and bureau levels. The titles of their party lectures include: "The Importance and Necessity of Enhancing Education Among Party Members Under the New Situation," "CPC Members Must Have a Clear Understanding of the Situation as Well as the Objective, Significance, and Tasks of Reform," "CPC Members Should Build a Party and Government Serving the Interests of the People," "Develop the Socialist Commodity Economy and Uphold Party Spirit and Principles," and "Change the Outdated Ideas and Foster New Ideas." These party lectures combined party basics with education on the situation and policies and yielded rather good results.

Many leading cadres of the various districts, counties, and bureaus held that party lectures have always been a good form of party education. They had not attended such party classes in nearly 20 years. For them, these classes are both refreshing and educational. Many leading cadres, after returning to their own units, have organized party classes at various levels for party members. The Xicheng District CPC Committee sponsored classes at different levels, emphasizing party spirit at classes for leading cadres and stressing party basics at classes for new party members.

HEBEI'S PINGSHAN COUNTY INVITES INVESTORS

HK220507 Hong Kong HONGKONG STANDARD in English 22 Sep 86 Business Standard p 1

[Text] The Pingshan County of China's Hebei Province is inviting the world's bankers, entrepreneurs, scientists and engineers to help develop its rich natural resources through economic and technical co-operation projects.

The latest issue of CHINA BUSINESS INTELLIGENCE says the Pingshan County will offer preferential terms and facilities in every aspect to facilitate co-operative ventures, several of which have been identified for the next seven years. These include:

- Rock-wool products plant with an annual output of 16,000 tons involving RMB [renminbi] 28 million;
- Glass plant with an annual 80,000-ton capacity, for which the capital outlay would be about RMB 9 million;
- White cement plant costing about RMB 1.08 million, with a capacity of 120,000 tons each year;
- Redevelopment of waste land and marshes into fish ponds capable of producing about 2.5 million kg a year of aquatic produce, for which about RMB 10 million would be needed, 70 percent to be financed with foreign capital and the balance from local funds;
- Reservoir project for fish-farming with an annual output of about one million kg, at a cost of some RMB 2.5 million;
- Various development projects to promote and service the tourist industry;
- Coke-oven plant with an annual output of 200,000 tons, which would require the introduction of foreign capital and equipment estimated at about RMB 3 million; and
- Sundry other development projects.

The county authorities said that the form of participation and co-operation in the projects may vary.

It may be a wholly-owned foreign enterprise, a joint venture, a contractual joint venture, an arrangement involving compensation trade, produce and market co-management; technology transfer, consultant services, or trade co-operation.

The local government also promises to offer preferential treatment to foreign investors including the selection of construction site, energy supply, debt servicing and other facilities.

Co-ordination of overseas investors in the proposed projects is being handled by the Economic and Technology Co-operation Bureau of Pingshan County.

SENIOR SHANXI OFFICIAL STRIPPED OF PARTY POSTS

OW191220 Beijing XINHUA in English 1205 GMT 19 Sep 86

[Text] Taiyuan, September 19 (XINHUA) -- A senior Communist Party official in a north China industrial city has been stripped of his party posts for abusing his position to secure privileges for his children.

With the approval of the Shanxi provincial party committee, the city party committee of Changzhi -- population one million -- has removed He Yuantang as its deputy secretary and director of its office in charge of the party consolidation drive. He Yuantang was accused of using his power to coerce or influence others into helping his three children fraudulently secure jobs -- including a position as a factory director -- and Communist Party membership between January 1984 and June 1985.

-- In September 1983, he obtained a transfer for his oldest son, He Ming, from a local food bureau, where police had repeatedly caught him gambling and he had developed a bad reputation, to a knitwear mill where his past was unknown.

-- Three months later, He Yuantang secured admission to the party and promotion to the managerial staff for He Ming based on a fraudulent report of his conduct at the knitwear mill and a forged academic transcript. Then he manoeuvred a transfer for He Ming to a more attractive job with the Changzhi City Commerce Bureau.

-- In December 1984, the Commerce Bureau offered He Ming a promotion to deputy manager of a subordinate company. He refused the appointment, saying the post was "too small" for him. Subsequently, He Yuantang telephoned the bureau director and asked him to make He Ming manager of the company. The bureau director refused to yield to He Yuantang, who finally did find someone to make his son director of a local clothing factory -- which suspended production soon after, partly due to He Ming's bad management.

-- His second eldest son, He Xing, used to be a driver at the Jindongnam prefectural sports commission. In May 1984, his father used his influence to make him secretary of a local township Communist Youth League committee. He did this by covering up his son's earlier brawling and other gang activities and by securing a fraudulent letter from the sports commission party branch committee describing He Xing as a "promising prospective party member." On the basis of this letter, He Xing was admitted to the party in December 1984. One week afterwards, he was made a government cadre.

-- In April 1985, after his father pressured more city officials, He Xing was given a job with the city police. The same month, the police caught him providing equipment for showing pornographic video tapes.

He Yuantang did all this while in charge of the party consolidation drive in Changzhi, which had been ongoing for several years to strengthen the commitment of party members and encourage them to better serve the people and eliminate corruption. He Yuantang's sons and the officials who illegally aided them were still being investigated.

HEILONGJIANG OFFICIALS ATTEND BRIDGE OPENING

SK210416 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 20 Sep 86

[Excerpts] A ceremony to mark the opening of Harbin's Songhua Jiang Highway Bridge was held on 20 September. [passage omitted] Principal leading comrades who came here to attend the ceremony were seated on the rostrum. They were Sun Weiben, Chen Lei, Hou Jie, Li Jianbai, Wang Zhao, Li Genshen, Wang Fei, and Gong Benyan; and retired Comrades Zhao Dezun, Wang Yilun, and Chen Jianfei. Also seated on the rostrum were responsible comrades of state departments and commissions concerned, leading comrades of a certain group army dispatched to our province by the Shenyang Military Region, members of the North Hamgong provincial delegation headed by Cho Se-ung, responsible secretary of the North Hamgong provincial committee of the Workers Party of Korea, and Japanese guests. Also among those invited to attend the meeting were Zhou Daojiong, president of the People's Construction Bank of China; Zheng Guangdi, vice minister of communications; Pan Qi, adviser to the Ministry of Communications; and (Lin Chen), former vice minister of communications. An Zhendong, vice governor of the province, presided over the ceremony.

[Begin recording] [An Zhendong] The ceremony to mark the opening to service of the highway bridge across the Songhua Jiang near Harbin is now open. We would like to invite Comrade Hou Jie, governor of the province, to make a speech.

[Hou Jie] After 3 years and 4 months of construction, the highway bridge across the Songhua Jiang near Harbin has successfully been opened to traffic. On behalf of the provincial party committee and the provincial government, I extend warm greetings to the commanders, engineers, technicians, and workers who were engaged in the construction of the bridge. [passage omitted] [End recording]

Cutting the ribbon for the bridge were provincial party and government leading comrades, including Sun Weiben, Chen Lei, Hou Jie; Zheng Guangdi, vice minister of communications; and Gong Benyan, mayor of Harbin City. [passage omitted]

GAO DI INSPECTS WORK IN JILIN'S FUYU COUNTY

SK180442 Changchun Jilin Provincial Service in Mandarin 1030 GMT 17 Sep 86

[Text] Gao Di, secretary of the provincial party committee, made an inspection tour in Fuyu County from 16 to 17 September. He inspected beet crops and the corn crops that have been raised under plastic sheets, the experimental fields of (Zhanyoushan) agricultural scientific station, and the farm product market of (Sanchahe) Town. He also heard the report given by the leading personnel of Fuyu County with regard to the rural work done by the county this year. During his inspection tour, Comrade Gao Di attended a rural work meeting sponsored by Fuyu County. At the meeting, he delivered a speech stressing that in 1987 efforts should be made to vigorously popularize the new technique of breeding seedlings under plastic sheets, to concentrate on increasing the per-unit-yield of grains, and to acutely develop township and town-run enterprises that will be operated chiefly by individuals, household groups, and collectives. Efforts should also be made to bring into full play the local strong points and to concentrate on further developing the processing industries and the (?timber) production. In his speech Gao Di urged various localities throughout the province to go into action immediately to grasp well the following work; 1) Efforts should be made to prevent frost as was done for preventing flood; 2) a good job should be done in drying corn crops in a timely manner; and 3) efforts should be made to fulfill the current tasks in order to make preparations for next year.

JILIN LEADERS MEET TO COMMEND FLOOD FIGHTERS

SK210312 Changchun Jilin Provincial Service in Mandarin 1030 GMT 20 Sep 86

[Excerpts] This morning in Changchun the provincial party committee and the provincial government ceremoniously held a meeting to sum up experiences in flood-fighting and rescue work and to commend the model collectives and individuals that made great contributions in the flood-fighting and rescue struggle.

Attending the meeting were leading comrades of the provincial party committee, including Gao Di, Wang Zhongyu, Li Dezhu, Du Qinglin, and Hui Liangyu, leading comrades of the provincial Advisory Committee, including Wang Daren, Xiao Chun, Wang Jiping, and Chen Hong; leading comrades of the provincial People's Congress, including Zhao Xiu, Huo Mingguang, Cheng Shengsan, Wu Duo, Cui Lin, Wang Jiren, Renqingzhamusu, and Zhu Jinghang; leading comrades of the provincial government, including Gao Dezhan, Gao Wen, and Wang Jinshan; leading comrades of the provincial CPPCC Committee, including Zhang Fengqi, He Yunqing, Gen Yuelun, Luo Yuejia, and Lu Shiqian; and leading comrades of the provincial Military District and the PLA units stationed in our province, including Chen Xingyin, Zhang Fuyuan, Zhu Qingguo, (Fan Wanqing), (Ma Dingrong), and (Zhang Xinyu).

Paying a special visit to our province to attend the meeting were (Wang Yongsheng), leading comrade of the Political Department of the PLA General Logistics Department; Song Keda, leading comrade of the Shenyang Military Region; and responsible persons of the Agriculture Department under the State Economic Commission, the Central Flood Control Office, (?department in charge of relief work in rural areas) under the Ministry of Civil Affairs, the Highway Bureau under the Ministry of Communications, the Industrial Credit Department of the Agricultural Bank of China, the Insurance Company of China, and the Shenyang Railway Bureau. Also attending the meeting were more than 1,000 people, including responsible persons of the departments under the provincial-level organs; various democratic parties; mass organizations; and all cities, prefectures, and autonomous prefectures; and representatives of model collectives and individuals that have been commended. Wang Zhongyu, deputy secretary of the provincial party committee, presided over the meeting.

[Begin recording] [Wang Zhongyu] The provincial party committee and the provincial government decided to sponsor this meeting to sum up the flood-fighting and rescue work and to commend the model collectives and individuals emerging from this work with a view to further mobilizing the people throughout the province to achieve disaster-fighting and self-salvation work. Now we invite Comrade Gao Dezhan, deputy secretary of the provincial party committee and governor of the province, to make a speech.

[Gao Dezhan] Our province has scored great successes in this year's flood-fighting and rescue struggle thanks to the concern and leadership of the party Central Committee. This meeting is one to sum up flood-fighting and rescue work and to commend the model collectives and individuals emerging from this work as well as one to mobilize the people to thoroughly carry out disaster-fighting and self-salvation work. This meeting will further help facilitate the province's socialist material and spiritual civilizations. [passage omitted] [end recording]

Vice Governor Gao Wen read the decision of the provincial party committee and the provincial government on commending 114 model collectives, including PLA Unit 81101, the Shenyang Railway Bureau, the Changchun Railway Subbureau, and (Qiweijia) Township in Nongan County; and 978 model individuals, including (Wang Ruizhang) and (Wang Shijie). [passage omitted]

JILIN CONGRESS STANDING COMMITTEE MEETING OPENS

SK220445 Changchun Jilin Provincial Service in Mandarin 1030 GMT 20 Sep 86

[Text] The 21st Standing Committee Meeting of the 6th Jilin Provincial People's Congress opened in Changchun this morning. Zhao Xiu, chairman of the provincial People's Congress Standing Committee, presided over the first plenary session of the meeting. Huo Mingguan, vice chairman of the provincial People's Congress Standing Committee, relayed the guidelines of the 17th Standing Committee meeting of the 6th NPC. Participants listened to the report delivered by Vice Governor Wang Jinshan on the situation of the province's flood-fighting rescue, and self-salvation work.

In his report, Comrade Wang Jinshan put forward the guiding ideology and the priorities of the disaster-fighting work for the foreseeable future.

First, we should make appropriate arrangements for the livelihood of the disaster-stricken people to ensure that every one of them has grain to eat, a house to live in, and clothes to wear, and that all of them will be given medical treatment if they get sick.

Second, we should extensively open up avenues for conducting salvation through production.

Third, we should make conscientious efforts to repair the projects damaged by the floods in a timely manner and to ensure the quality of the repair work.

Fourth, we should firmly grasp grain production in an effort to reap a good harvest despite the year's serious disasters.

Fifth, all trade and professions should do their own jobs well to support the disaster-stricken areas with concrete deeds.

The 21st Standing Committee meeting of the 6th provincial People's Congress will examine and discuss the report delivered by Vice Governor Wang Jinshan on the situation of the province's flood-fighting, rescue and self-salvation work delivered; will discuss the draft resolutions made by the sixth provincial People's Congress Standing Committee on the disaster-fighting and self-salvation work; will examine and discuss the draft regulations on road management and the draft regulations on management of the work of collecting fees, imposing fines, confiscating property and goods, granting interest-free loans, and collecting funds; will listen to, examine and discuss the report made by the provincial planning and economic commission on the situation of the implementation of the plan for national economic and social development in the first 8 months of this year, the report on the situation of the implementation of the budgetary plan for the January-August period of 1986 and the report of changing the 1986 budgetary plan, both delivered by the provincial Financial Department, and the report on the situation of the province's radio and television work, made by the provincial Radio and Television Department; and will discuss the draft decision on the number of country and township deputies to be elected, made by the Sixth Jilin Provincial People's Congress Standing Committee.

Attending the meeting were vice chairmen of the provincial People's Congress Standing Committee, including Cheng Shengsan, Wu Duo, Cui Lin, Wang Jiren, Renqinzhamsu, Zhu Jinghang, and Xu Yuanchun. Attending the meeting as observers were Wang Hongmo, president of the provincial Higher People's Court; Li Xiangwu, chief procurator of the provincial People's Procuratorate; and responsible persons of the provincial-level departments concerned, all city and autonomous prefectural People's Congress Standing Committees, and the office in charge of the People's Congress Standing Committee work in Baicheng Prefecture.

SELECTION OF 'LOCALLY CHOSEN' GOVERNOR DISCUSSED

HK200315 Hong Kong SOUTH CHINA MORNING POST in English 20 Sep 86 p 1

[By Michael Chugani]

[Text] Hong Kong may have a locally chosen "deputy governor" who will gradually take over from the Governor, who is appointed by the Queen, in the years leading up to 1997.

The politically sensitive question of how and when Hong Kong's first post-1997 governor should be chosen was discussed by British Prime Minister Mrs Thatcher and an Executive Council delegation led by the Governor Sir Edward Youde in London last week.

A statement issued after last week's hour-long meeting in Downing Street merely said the issue of representative government had been discussed.

But the SOUTH CHINA MORNING POST has since learned that the issue of whether the future chief executive to run Hong Kong as a Special Administrative Region [SAR] of China should be elected by the people or selected by an electoral college, and the timing of such changes, was discussed.

One proposal which is gaining ground in Government thinking is to have a locally chosen chief executive put in place before 1997 who would gradually assume the powers of the colonial governor.

A point will be reached near 1997 when the colonial governor will have powers dealing only with foreign affairs and the defence of Hong Kong.

All other local matters will be handled by the chief executive or "deputy governor."

In this way, the governor would be able to depart by 1997, handing over his defence and foreign affairs responsibilities to China, the incoming sovereign power, and leaving in place a chief executive already groomed to run the SAR.

Although the selection method of the future SAR chief executive is mostly a matter for China and is being debated by the Basic Law drafting and consultative committees, it was nevertheless felt the issue should be raised with the British.

To ensure a smooth transition, a chief executive may have to be chosen before 1997, while Hong Kong is still British territory. Britain has already indicated that the Queen will continue to appoint a Hong Kong governor until 1997.

The British, therefore, will have a role to play if it is decided to go ahead with the proposal of having a chief executive who will gradually take over from the colonial governor in the years before 1997.

Although various ideas were discussed with Mrs. Thatcher and other ministers about the election method for the future chief executive, no decisions were taken.

It is understood that last week's exchange of views on choosing a future governor was not the first.

Informal discussions between British and Chinese officials on the issue are said to have taken place on a regular basis.

Next year's political review by the Hong Kong Government is however unlikely to list detailed options on how to choose a chief executive.

While the British have a vested interest in the matter and will continue to attempt to influence Beijing's thinking, they will nevertheless leave final decisions on the matter to the Basic Law Drafting Committee charged with producing Hong Kong's post-1997 constitution.

No PRC Intervention

HK190531 Hong Kong HONGKONG STANDARD in English 19 Sep 86 p 3

[Text] China has no intention of intervening in the selection of the head of the post-1997 Hong Kong Government because that will violate the spirit of the Sino-British Joint Declaration.

This was said yesterday by a Basic Law drafter, Mr Louis Cha, when he spoke to members of Hong Kong's Basic Law Consultative Committee.

Mr Cha's remarks were in response to suggestions that China would intervene in selecting the chief executive of the Special Administrative Region.

He told the 36 members of the committee that the view was shared by all drafters who attended last month's session in Xiamen.

They were meeting at their headquarters in Lane Crawford House to discuss future political blueprints with five visiting Basic Law drafters from Beijing.

But the drafters from Beijing did not elaborate on the issue at the meeting.

Mr Cha's remarks that China would not insist on the right of prior approval of chief executive candidates, contradicted a report carried by the current issue of a pro-Beijing monthly, THE MIRROR.

The magazine said China wants chief executive candidates to be endorsed by Beijing first before they are selected here.

Yesterday the majority of the participants favoured the idea that the chief executive should not be elected directly under a one-man, one-vote system.

They said some form of mechanism should exist to ensure "quality control".

Thus, only an authorised body, such as the legislature or a nomination commission, should be allowed to elect the chief executive or nominate candidates, they said.

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One member, Dr Raymond Ho, suggested that Beijing's consent would be essential so that China would not veto a locally-elected person it dislikes.

Surveyor Mr Kan Fookye proposed a nomination commission which would include well-known representatives from various sectors.

But Mr Kan was immediately challenged by Mr Frederick Fung, the director of the People's Council for Public Housing Policy, who asked: "Why are the People's Council and Caritas [no further explanation] not included?"

NEW HONG KONG PASSPORT CAMPAIGN REPORTED

HK190441 Hong Kong SOUTH CHINA MORNING POST in English 19 Sep 86 p 1

[By Micheal Chugani]

[Excerpts] A Foreign Office order is about to go out instructing British ambassadors around the world to put pressure on foreign governments to recognise Hong Kong' new British Nationality Overseas passport [BNO].

Foreign ambassadors stationed in London will at the same time face similar arm-twisting from senior British officials to convince their governments to accept the new travel documents.

SOUTH CHINA MORNING POST sources say the campaign to get the new Hong Kong passport accepted around the world as a valid document will start within weeks.

It was also learned that top Government officials here are preparing to hold talks with the chiefs of all the foreign consulates in Hong Kong to drive home the message that the BNO passport is no different from the existing British Dependent Territory Citizen (BDTC) passport. [passage omitted]

"One thing about bringing in something new like this, it gives the other side an excuse to closely scrutinise the document," one source said. [passage omitted]

They say the fact that China has agreed to let the British Government state clearly in BNO passports that holders have a right of abode in Hong Kong even after 1997 will help push foreign governments towards accepting the travel document.

"As long as foreign governments know they can deport BNO passport holders who overstay back to Hong Kong there is no reason why they should not recognise the passport," an official source involved in the campaign to hard-sell the BNO document told the POST.

But even if foreign governments agree to recognise the BNO passport there are fears some countries which now do not impose visas on Hong Kong travellers may change the rules.

In their campaign to push for recognition of the BNO passport, British officials will insist that foreign governments treat the new document in exactly the same way they treat the BDTC passport.

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WU XUEQIAN CONTINUES DIPLOMATIC DUTIES AT UN

OW230812 Beijing XINHUA in English 0806 GMT 23 Sep 86

[Text] United Nations, September 22 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian met separately in New York today foreign ministers of Canada, Italy, Czechoslovakia, Indonesia, Mongolia and Algeria and was the guest of honor at a breakfast given by the foreign minister of Federal Germany.

Wu exchanged views in a friendly atmosphere with the seven foreign ministers on ways of further developing bilateral relations and on international issues of common concern. The foreign ministers are here to attend the 41st Session of the U.N. General Assembly.

Talks With Kuranari

OW230914 Beijing XINHUA in English 0904 GMT 23 Sep 86

[Text] United Nations, September 22 (XINHUA) -- Japanese Foreign Minister Tadashi Kuranari stressed that Japan and China are close neighbours and that Japan values its relations with China while meeting with Chinese Foreign Minister Wu Xueqian this afternoon. Kuranari said it is the common aspirations of the "most of the Japanese people to maintain and develop friendly relations with China".

Japan's new foreign minister said he is willing to spare no efforts to develop friendly ties between Japan and China.

Kuranari told Wu he deeply regrets the speech made by Japan's former education minister. He lauded Japanese Prime Minister Nakasone's action in dismissing the minister.

Wu agreed with Kuranari's assessment of the development of the friendly relations between the two countries in recent years. "We were very indignant when we learned the speech made by former Japanese Education Minister Fujio whose words have deeply hurt the feelings of the Chinese people," Wu said. "It was only because Prime Minister Nakasone removed Fujio from his post in time that we exercised restraint," Wu added.

Wu also stressed that "friendship between China and Japan is not only in the interest of the peoples of the two countries but also in the interest of maintaining peace in Asia". It is China's consistent policy, the Chinese foreign minister pointed out, that bilateral relations should progress on the basis of the Sino-Japanese peace and friendship treaty.

The ministers talked during a 30-minute meeting on the United Nation's financial crisis and the structural reform of U.N. agencies.

They agreed that while the U.N. plays an important role in maintaining world peace and in advancing the causes of the Third World, reforms are needed to improve its efficiency.

GATT MINISTERS MEET IN URUGUAY, FACE PROBLEMS

LIAOWANG Views Goals

HK210219 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 37, 15 Sep 86, pp 30-32

[Article by Li Changjiu: "Difficulties Confronting GATT Ministerial Conference"]

[Excerpts] On 15 September, a ministerial conference will be held in Uruguay's Punta del Este between contracting parties of the General Agreement on Tariffs and Trade. This conference, which will last a week, will discuss and approve a declaration and finalize the goals of the next round of multilateral trade negotiations, their underlying principles, topics to be discussed, the way the negotiations are to be organized, and the list of countries to be invited.

China has been officially invited to attend this conference as a non-voting participant. Actually, China is one of the founding members of this organization. In 1948, the Chinese Government signed a "Provisionally Applicable Protocol for GATT." China became a contracting party of GATT on 21 May the same year. However, because of certain historical circumstances, Chinese participation in GATT has been suspended for more than 30 years since the founding of New China in 1949. In 1984, China became an official observer of GATT and an official member of its Multifiber Agreement [MFA]. In July this year, Qian Jiadong, China's permanent representative to the United Nations in Geneva, presented to Arthur Dunkel, GATT director general, a note by the Chinese Government on restoring China's status as a GATT contracting party.

The main purpose of GATT is to establish the legal criteria for international trade, to organize multilateral trade negotiations, and to settle trade disputes. Since the signing of GATT in 1947, the organization has conducted seven rounds of multilateral trade negotiations. Since the trade between its more than 90 members accounts for over 85 percent of the total volume of world trade, the trade regulations it formulates and the agreements it produces can directly and significantly affect world trade.

The GATT's most powerful organ, namely the Council of Representatives, usually meets once [as published] a year. [passage omitted]

The basic purpose of GATT is, through unconditional most-favored nation treatment, reductions in tariffs, and removal of trade barriers, to promote free trade. As a result of the seven rounds of multilateral trade negotiations sponsored by GATT, the average rate of the taxes imposed on the finished products produced by the developed countries in the West has dropped from 40 percent to about 5 percent. However, non-tariff trade barriers are becoming more numerous each day.

In recent years, various countries have resorted to non-tariff barriers as a major protectionist measure. According to a statistical report prepared by the parties concerned, there are over 1,000 non-tariff trade barriers existing in the world. In a report recently published by the World Bank, it was reported that between 1980 and 1983, the numbers of non-tariff trade barriers created by the United States and the European Community grew by over 100 percent and 38 percent, respectively, and 10.5 percent of the exports of the developed countries and 19.8 percent of those of developing countries were affected by non-tariff trade barriers.

In 1983, 29 percent of the developing countries' agricultural exports to the Western countries were affected by these non-tariff trade barriers.

The number of non-tariff barriers is growing in an increasing number of guises. These barriers mainly include "voluntary" export quotas, arbitrary application of the GATT's article on safeguards, the imposition of discriminatory restrictions on imports, the extensive use of subsidies, and contention for markets. One example is that the Third Textiles Agreement and its protocol of extension, which expired in late July this year, had deviated from the underlying GATT principles by imposing various restrictions on textile exports and, in particular, by discriminating against the developing countries. However, in the Fourth Textile Agreement, which was accepted by the GATT Committee on Textiles on 1 August this year, the restrictions stated in the previous agreement are retained and, in compliance with a U.S. request, extended to products made of ramie, flax, and silk, which were previously not covered. This arbitrary extension of restrictions has led to strong resentment among the developing countries.

The above issues cannot be settled once and for all at just one conference. At present, GATT has 92 contracting parties and 61 observers. If the participants in the conference seek reasonable measures for resolving contradictions and differences in a cooperative spirit and with an unbiased attitude and, in particular, if the major industrialized and developed countries in the West respect the developing countries' reasonable demands, this ministerial conference between GATT contracting parties will be able to produce a declaration and decide on an early date for the next round of multilateral trade negotiations.

At present, trade between China and various GATT contracting parties constitutes over 85 percent of the total volume of China's exports. China will try its best to bring about the next round of multilateral trade negotiations, to expand its trade and economic exchanges with GATT contracting parties, and to contribute to world trade and economic development.

Conference Draws to Close

OW191246 Beijing XINHUA in English 1153 GMT 19 Sep 86

[Text] Punta del Este, Uruguay, September 18 (XINHUA) -- The ministerial conference of the General Agreement on Tariffs and Trade (GATT) entered its fourth day to see a potential breakthrough on the farm subsidy issue while deadlock remains on the issue of putting service trade under the auspices of GATT.

The conference is scheduled to conclude tomorrow to announce the commencement of a new round of trade talks -- the Uruguay round -- which may last four or five years. At a press conference here today, conference Chairman Enrique Iglesias said, "We have made progress both in substance and in spirit."

Arthur Dunkel, the GATT director-general, added, "We are now at the stage of reconciling interest and trading-offs." "It is a very difficult exercise."

In order to hammer out an agreement on the agenda tomorrow, the extensive consultations among delegates today still centered on the two thorniest issues -- how to treat trade in service and agriculture in the new round of multilateral trade negotiations.

France's abandonment of its opposition to putting farm subsidies into the agenda of a new round has been cheered as a progress, which has opened the way for a potential breakthrough in the agricultural issue.

It is apparent that the draft declaration submitted by Colombia and Switzerland, known as W47 Rev2, has been accepted by a majority of the delegates as the basic document for negotiations.

At a press conference today, even a senior U.S. delegation official said, "We can accept minor changes in the W47 Rev2 text as long as they are reasonable." The United States is a staunch supporter for the inclusion of service in GATT talks.

It is said here that a final solution to the problem of service could be arranged in a way that India proposed: Negotiations on service be treated separately outside the GATT umbrella, so as to avoid trade-off of concessions between trade in goods and trade in services.

If the service trade is to put under GATT, Indian Finance Minister Vishwanath Pratap Singh said in a press briefing today, "The problem is bound to arise when a country is unable to open up its service market, then there will be retaliation in the trade in goods. This linkage is detrimental to developing countries."

He told reporters that his country's position was shared by the Group of 10, the developing countries which jointly tabled a draft declaration at the Geneva Preparatory Committee to oppose the inclusion of service trade in the new round. The key difference between the Colombian group and the Indian bloc is whether the service issue should be handled in GATT or outside GATT.

XINHUA Commentary

OW191307 Beijing XINHUA in English 1220 GMT 19 Sep 86

["Commentary: Developing Countries -- Real Victims of Protectionism (by Xue Limin)" -- XINHUA headline]

[Text] Beijing, September 19 (XINHUA) -- The mounting pressure of worldwide protectionism, which is attracting major attention at the ministerial meeting of the General Agreement on Tariffs and Trade (GATT) now being held in Uruguay, has played havoc with most economies in the world. But among the victims, the hardest hit are the developing countries.

A number of representatives from developing countries who are attending the conference, which began in Punta del Este on Monday, are demanding that the West ease its protectionist measures to enable its Third World trading partners to stand on equal footing with Western countries.

Similar demands have been made for years, but the industrial nations simply take no heed of them. Instead, they have continued to build trade barriers to protect home markets, and to subsidize certain exports in order to expand their lion's share of world trade even further. By this increased emphasis on protectionism, the industrial countries have shifted their own economic burden to the developing nations and have forced a large number of developing economies to the verge of collapse. If they keep to their suicidal track, they are flinging out an economic boomerang, and the next hit will surely be on themselves.

Protectionist actions by industrial countries have forced down the volume of exports from developing countries. World Bank President Barber B. Conable said Wednesday that the export earnings of developing nations fell by 5.5 percent last year. This decline in export earnings has, in turn, brought down the volume of imports. Obviously, the reduction of imports of equipment and technology seriously stunts the economic and social growth of Third World countries.

The protectionist actions also adversely affect the developing countries' terms of trade, which fell of 0.9 percent in 1985 and is expected to drop by 19 percent this year. The World Bank estimated in its 1985 world development report that a 10 percent deterioration of Latin American trade would cost the region about 25 billion U.S. dollars, as much as the real interest cost of their entire foreign debt. Protectionism has also had a hand in crippling the ability of developing countries to service their debt, which has shot up to 370 billion dollars.

Because of the loss in export earnings and the crushing burden of servicing the debt, the majority of funds flowed from the indebted developing countries to Western creditor nations, creating a critical economic imbalance. If the debtor countries' economies collapse, the industrialized nations will face a further contraction of markets and a greater surplus of products, which will unavoidably drag them into a swamp of widespread recession.

Protectionism is widespread, ranging from the trade in food and textiles to other primary commodities and manufactured goods. In agriculture, for example, the European Economic Community (EEC) and the United States have been waging a war of farm subsidies between them that has squeezed the market share of other countries and brought down farm prices.

The war over farm subsidies continues to cost all victimized countries a total of 36 billion dollars annually in farm export revenues. But the agricultural workers in developing countries suffer 77 percent of the total losses, about 28 billion dollars a year. If developing countries are among the wounded in the farm exports crossfire between the EEC and the U.S., they are, even more dangerously, the only targets of deadly restrictions by industrial nations on their imports of textiles.

In July, the 12-year-old Multifibre Arrangement (MFA), due to expire on July 31, was extended to 1991, thus inflicting even more severe limits on Third World sales to the big industrial markets by adding additional items to the restricted list. Textile exports come mainly from developing countries and account for one-fourth of their manufacturing exports. Imports from Asian countries, for example, make up a two-thirds share of U.S. textile imports and are affected severely by the U.S. protectionist measures. Exports of other primary commodities and manufactured goods from developing countries also come under the restrictions by industrial countries.

At the current ministerial meeting, the industrial nations have shown no sign of making concessions on the matter of protectionism. Instead, they insist on what they term "a balance of concessions," which means that the developing countries should also lift protectionist measures. However, to a considerable extent the developing countries must protect their home markets and weak industries in order to vitalize their national economies and ensure a fair and long-term trade flow with the big trading powers.

ZHENG TUOBIN ON 'OBSTACLES' IN TRADE WITH U.S.

OW221334 Beijing XINHUA in English 1320 GMT 22 Sep 86

[Text] Beijing, September 22 (XINHUA) -- The United States has become China's third leading trade partner, according to Zheng Tuobin, minister of foreign economic relations and trade.

In an article in the latest issue of the quarterly magazine "CHINA'S FOREIGN TRADE", he said, "Direct bilateral trade between 1979 and 1985 totalled 35.3 billion U.S. dollars, with last year's total, an annual record high, of 7.3 billion." By the end of last year, contracts signed with a total direct investment by U.S. firms surpassed 2.1 billion U.S. dollars, and 130 Sino-U.S. joint ventures have been approved, the minister said.

Zheng expressed optimism about future trade development between the two countries, but added, obstacles and difficulties that effect such development still exist. "A common effort of the two countries to curb, then eliminate such obstacles and difficulties is needed," Zheng said.

Specifically Zheng encouraged the creation of a more balanced trade relationship between China and the U.S., by eliminating U.S. tendencies towards protectionism, and also supported more favorable conditions for U.S. investors in China.

RENMIN RIBAO DISCUSSES U.S. DEMANDS ON GATT

HK200920 Beijing RENMIN RIBAO in Chinese 19 Sep 86 p 7

[Commentary by correspondent Jing Xianfa: "Why Does the United States Call for the GATT To Make a Fresh Start?"]

[Text] Washington, 18 Sep -- The U.S. delegation attending the meeting of ministers of GATT countries in Uruguay has put forward a motion to the more than 70 participating countries strongly calling for new GATT regulations to be added regarding trade in agricultural products and in services. Ignoring the opposition of most of the participants and its trading partners, the United States is insistently demanding that the GATT make a fresh start. This move has attracted the attention of public opinion.

The main function of the GATT as an international trade setup is to draw up rules on international trade and to preside over multilateral trade negotiations. The United States was one of the main initiators of this setup, and moreover it has consistently played the decisive role for the past nearly 40 years. Since the 1970's, marked changes have occurred in U.S. import and export trade in volume, proportions, and makeup; in 1973 exports of American goods accounted for 13 percent of the world total, but by 1985 this had fallen to 10 percent; at the same time, American imports of goods have risen from 12.5 percent to 18 percent of the world total. Services have grown rapidly, and there is a serious glut of agricultural goods. Hence, the United States holds that it is essential to draw up new international trade rules to suit the changed trade situation.

The United States first raised the question of trade in agricultural products at the current round of talks. In recent years, due to a glut in world grain production, the export market for U.S. agricultural and sideline products has shrunk, and this year the United States became a deficit country in agricultural trade for the first time. [paragraph continues]

According to statistics of the Department of Agriculture, American grain output this year will reach a historic high of 200 million tons. The U.S. Government has locked horns with the EEC and Canada several times on the agricultural trade issue, and just before the current talks it let it be known that if its Western European trading partners do not quickly make concessions on subsidies for agricultural exports and limitation quotas for American agricultural products, the Reagan administration will be forced to provide American farmers with \$30 billion in export subsidies this year. France and the Federal Republic of Germany, America's main adversaries in agricultural trade, will both be facing elections in 1988, and there seems little likelihood that they will make any real concessions to the United States on this occasion. Hence, the U.S. motion demanding that trade in agricultural products be included in the GATT may be just wishful thinking.

The motion to include trade in services in the GATT is an idea that the United States has vigorously advocated in recent years. Trade in services now accounts for about one-quarter of total world trade volume; and that of the United States and other developed countries accounts for over three quarters of total world trade in services. In America itself, output value and employment in the service trades represent about two-thirds of gross domestic product and also of the employed population. Hence, the United States hopes to further expand its services trade market by reaching an agreement on this trade. Many countries attending the current round of talks oppose this U.S. demand. Representing a 10-country group organized by developing countries, the Indian finance minister pointed out: The United States should first consider dismantling the non-tariff barriers restricting the import of Third World products, instead of harming the still weak service trades in developing countries by means of expanding its trade for services.

Another aspect of the background to the reforms proposed by the United States for GATT is the continually growing pressure of domestic trade protectionism. Last year the U.S. trade deficit was a record \$150 billion, and the U.S. Department of Commerce recently estimated that the deficit this year will be even higher. In the runup to the mid-term congressional elections, the Democratic Party is stepping up its attack on the Reagan administration's economic policies, thus forcing the administration to take hardline measures in a number of important trade disputes. On the one hand President Reagan is trying to pacify protectionist sentiment in the Congress and uphold the "free trade" policy he has vigorously advocated, and on the other hand he wants to "push the boat along with the current" and make use of the pressure from Capitol Hill to ease America's huge trade deficit.

It should be acknowledged that the demands put forward by the United States in this round of talks objectively reflect the worries of the main Western industrial countries over the present chaotic situation in international trade. But it must also be pointed out that the swelling protectionism between the main industrial countries in recent years is precisely the source of this chaos. Trade protectionism has become a serious obstacle to world trade. According to the British magazine "THE ECONOMIST," world trade growth in 1985 was only 3 percent, far below the levels of the sixties and seventies. The demands put forward by the United States in the current round of talks reflect the clash of interests between itself and the developing countries and also show that increasingly sharper contradictions exist between the industrial countries. Although the United States will reach certain agreements with other countries in this round of talks, there is obviously a long and difficult path to be traversed to fundamentally resolve these conflicts of interest and contradictions.

WRITERS DELEGATION ENDS USSR VISIT 22 Sep

OW230122 Beijing XINHUA in English 0104 GMT 23 Sep 86

[Text] Moscow, September 23 (XINHUA) -- A Chinese writers' delegation, led by the noted writer Ma Feng, ended its visit to the Soviet Union and left for home Monday night.

Before its departure, First Secretary of the Soviet Writers' Board V.V. Karpov received the delegation. During their friendly talks, both sides expressed satisfaction with the relations between writers of the two countries in recent years. The delegation arrived here on September 8 and visited Moscow, Leningrad and some other cities.

HEILONGJIANG'S HEIHE PORT RESTORES USSR TRADE

SK230402 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 22 Sep 86

[Text] A Soviet-made automatic barge from the Blagoveshchensk Harbor of the Soviet Union entered Heihe Port on 21 September. After shipping the 1,200 tons of soybeans exported to the Far East Trade Company of the Soviet Union by the Heilongjiang Provincial General Foreign Trade Corporation, the barge returned to Soviet territory. Trade relations between Heihe Port and the Soviet Union, which were suspended for nearly 20 years, have been restored.

XINHUA CITES NEW YORK TIMES ON MISSILE LANDING

OW190158 Beijing XINHUA in English 0134 GMT 19 Sep 86

[Text] Washington, September 18 (XINHUA) -- A new long-range Soviet missile exploded during a test flight last month, THE NEW YORK TIMES reported today. The missile exploded in midflight, perhaps as the first stage finished firing or when the second stage ignited, according to intelligence sources quoted by the newspaper.

The sources said that the missile MS, a new version of the heavy SS-18, is deemed to be the most accurate in the Soviet nuclear arsenal and is able to carry a greater payload than other Soviet missiles. The first test flight of the missile in April was also a failure, the sources said. They believed that the failure was a setback for the Soviet missile program but that the Soviet Union will eventually overcome the problems.

Earlier this month, another Soviet missile, the submarine-launched SS-N-8, also reportedly misfired and is believed to have landed on the Soviet-Chinese border.

Meanwhile, THE NEW YORK TIMES said, the Soviet Union has also experienced problems in its effort to develop the 10-warhead SS-24 missile which reportedly will be deployed later this year.

DPRK'S KIM IL-SONG MEETS RENMIN RIBAO DELEGATION

HK230433 Beijing RENMIN RIBAO in Chinese 21 Sep 86 p 6

[Special dispatch from Pyongyang: "Kim Il-song Meets RENMIN RIBAO Delegation"]

[Text] Pyongyang, 20 Sep -- This afternoon, President Kim Il-song met with the RENMIN RIBAO delegation headed by Editor-in-Chief Tan Wenrui at the hall of Kum Sol San. President Kim Il-song extended his warm welcome to the delegation on its visit to Korea. Like calling on relatives, he said, the peoples of Korea and China have frequently made contacts with each other. He believed that the delegation's current visit to Korea will contribute to friendship between the two countries.

President Kim Il-song gave an account of Korea's industrial and agricultural development in 1986. This year's harvest will be better than last year's, he said. The industrial production situation is excellent and the work in all fields is developing smoothly.

DPRK DELEGATION VISITS HEILONGJIANG PROVINCE

Meets Party Committee Leaders

SK211116 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 20 Sep 86

[Text] On the morning of 20 September, the delegation of the North Hamgyong Provincial Committee of the Workers Party of Korea [WPK] called on leading comrades of the provincial party committee at the committee's office. Leaders of the provincial party committee, including Sun Weiben, Hou Jie, Li Genshen, Chen Yunlin, Liu Chengguo, Zhou Wenhua, Wang Yaochen, and Wang Feng, and office workers of the provincial party committee extended a warm welcome to the delegation members.

Sun Weiben introduced the guests to the general situation of the province's party building and economic construction.

Cho Se-ung, responsible secretary of the North Hamgyong Provincial WPK Committee and head of the delegation, conveyed the brotherly regards extended by party members and the people of the DPRK's North Hamgyong Province to the Heilongjiang provincial party committee.

After visiting with the provincial party committee, the Korean comrades traveled to the bank of the Songhua Jiang to attend the ceremony marking the maiden service of Harbin's Songhua Jiang Highway Bridge. According to another report, the distinguished Korean guests attended a literary and art soiree, which was arranged to welcome them, at the Beifang Theater.

Visits Daqing 22 Sep

SK230217 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 22 Sep 86

[Text] At noon on 22 September the delegation of the North Hamgyong Provincial WPK Committee left Harbin for Daqing City by train.

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During their stay in Harbin, the Korean comrades watched an exhibition on the beautiful and richly endowed Heilongjiang; visited the Harbin standardized [words indistinct] plant, the Harbin bicycle plant, the Harbin No 2 woolen mill, and the Harbin No 1 department store; and went sightseeing on the Songhua Jiang by boat. The distinguished Korean guests are scheduled to stay in Daqing for a day and then to visit Qiqihar and Mudanjiang.

QIAN XUESEN MEETS DPRK SCIENCE OFFICIALS

OW201336 Beijing XINHUA in English 1216 GMT 20 Sep 86

[Text] Beijing, September 20 (XINHUA) -- Qian Xuesen, president of the Chinese Association for Science and Technology, today met Yi Cha-pang, chairman of both the State Scientific and Technical Commission and the General Federation of Science and Technology of the Democratic People's Republic of Korea, and his party.

Qian, also vice-chairman of the Chinese People's Political Consultative Conference National Committee, gave a luncheon in their honor after the meeting.

During his stay in China, Yi conferred with Chinese science officials on the signing of a long-term agreement on bilateral scientific and technical cooperation and on the training of Korean technicians by China. They also discussed further cooperation between technical information departments of the two countries and exchanges between their bordering provinces.

WU XIUQUAN FETES JAPAN SECURITY INSTITUTE HEAD

OW221708 Beijing XINHUA in English 1524 GMT 22 Sep 86

[Text] Beijing, September 22 (XINHUA) -- Wu Xiuquan, chairman of the Beijing Institute for International Strategic Studies, met and feted Masamichi Inoki, president of the Japanese Institute for Peace and Security, his wife and their party here this evening. They exchanged views on present international situation.

PPCC OFFICIAL MEETS JAPANESE YOUTH DELEGATION

OW230832 Beijing XINHUA in English 0816 GMT 23 Sep 86

[Text] Beijing, September 23 (XINHUA) -- Yang Jingren, vice-chairman of Chinese People's Political Consultative Conference, met a Japanese youth delegation led by its Head Professor Kiyomi Honda.

At the meeting, Yang said Chinese-Japanese relations are in a period of the new replacing the old. He expressed the hope that the younger generation of the two countries should continue the course initiated by their predecessors. Sent by the Japanese Affairs Administration of the Management and Coordination Agency of the Prime Minister's Office, this delegation is the eighth to visit China.

WAN LI CONCLUDES NEW ZEALAND VISIT 20 SEP

19 Sep Farewell Dinner

OW191857 Beijing XINHUA in English 1520 GMT 19 Sep 86

[Text] Auckland, September 19 (XINHUA) -- The New Zealanders are excited to see the changes taking place in China and should like to step in through China's "open door" and participate in its economic development, said Prime Minister David Lange here this evening. The New Zealand prime minister was addressing a farewell dinner in honor of visiting Chinese Vice-Premier Wan Li and his party.

Lange said changes taking place in China "will contribute to the maintenance of peace and stability both in our immediate Asia-Pacific region and in the international arena at large." New Zealand and China, he believed, "share common objectives here, and the efforts we have both made to improve mutual understanding will stand us in good stead."

Wan said at the dinner that New Zealand and China have an important common view. "We are working for developing economy, raising living standards of the people. For this, we need lasting world peace," he noted.

After giving a brief account of China's economic reform, the Chinese vice-premier, who believed in the success of the reform, said it will not only create better conditions for developing economy, but also will open up wide prospects for China to develop friendly cooperation with New Zealand and other countries.

He stressed, "There are broad prospects for Sino-New Zealand friendly relations and cooperation based on equality and mutual benefit."

Accompanied by Lange this afternoon, Wan Li visited Kelly Tarlton's Underwater World in Auckland, the biggest fish aquarium in the world. Wan Li and his party will leave here for home tomorrow morning.

Seen Off by Lange

OW200832 Beijing XINHUA in English 0743 GMT 20 Sep 86

[Text] Auckland, New Zealand, September 20 (XINHUA) -- Chinese Vice-Premier Wan Li left for home this morning after a one-week official visit to New Zealand.

Prime Minister David Lange, his wife and high-ranking government officials went to the airport to see him off. Chinese Ambassador to New Zealand Zhang Longhai was also present. Before Wan's departure, Wan and Lange discussed their hopes to strengthen the friendly and cooperative relations between their countries. Wan and his party arrived in New Zealand September 13.

Returns to Beijing

OW201420 Beijing XINHUA in English 1319 GMT 20 Sep 86

[Text] Beijing, September 20 (XINHUA) -- Chinese Vice-Premier Wan Li returned here this evening after a goodwill visit to Australia and New Zealand.

ZHU LILAN VIEWS TECHNOLOGY AT INDUSTRY FORUM

OW221942 Beijing XINHUA in English 1543 GMT 22 Sep 86

[Text] Bangkok, September 22 (XINHUA) -- A Chinese representative suggested here today that the countries in this region should seize the opportunities of the new technological revolution to formulate development strategies to promote industrial and technological progress. This was stated by Zhu Lilan, vice-minister of State Science and Technology Commission and leader of the Chinese delegation to the sixth conference of Asian-Pacific ministers of industry and technology, at the opening session of the three-day conference today.

Madam Zhu told the participants that the meeting is being held at a time when the new technological revolution, which is surging forward vigorously world-wide, is changing people's life style and way of thinking. "Revitalization of a country relies on her scientific and technological progress," Zhu remarked. However, she noted, policies of trade protectionism and of technological barriers have brought about adverse effects on the industrialization process of many developing countries in the Asian-Pacific region, and have even led to their economic stagnation.

The Chinese representative urged the developed countries to provide the developing countries with effective assistance, including transfer of industrial technologies, provision of concessionary loans, standstill and roll-back of protectionist measures. She also suggested that the developing countries to raise the technical level of their traditional enterprises, to develop new technologies and new products, to improve the quality of products and do a good job in importing, digesting and absorbing their imported foreign technology.

ZHAO ZIYANG MEETS SINGAPORE ECONOMIST

OW191340 Beijing XINHUA in English 1317 GMT 19 Sep 86

[Text] Beijing, September 19 (XINHUA) -- Premier Zhao Ziyang met Dr. Goh Keng-swee of Singapore who is an economic advisor to China for the development of its coastal areas and tourism, here today. They exchanged views on the development of China's tourism and import of foreign capital.

On improving the environment for foreign investment in China, Zhao said that the Chinese Government is considering providing foreign investors with more preferential treatment and sino-foreign joint ventures with greater decision-making power.

Zhao expressed appreciation for some suggestions put forward by Dr. Goh Keng-swee. State Councillor Gu Mu met Dr. Goh Keng-swee earlier today.

ZHAO ZIYANG MEETS NEW BURMESE AMBASSADOR

OW191156 Beijing XINHUA in English 1152 GMT 19 Sep 86

[Text] Beijing, September 19 (XINHUA) -- Chinese Premier Zhao Ziyang met with U Tin Maung Myint, new Burmese ambassador to China, here this afternoon.

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PAKISTANI ARMY DELEGATION BEGINS 9-DAY VISIT

Arrives 21 Sep

BK211604 Karachi Domestic Service in Urdu 1500 GMT 21 Sep 86

[Text] A six-member Pakistani delegation led by General Rahimuddin Khan, chairman of the Joint Chiefs of Staff Committee, arrived in Beijing this afternoon on a 9-day visit to China. High officials of the People's Liberation Army of China welcomed the delegation at the airport.

Received by Yang Dezhi

OW221747 Beijing XINHUA in English 1552 GMT 22 Sep 86

[Text] Beijing, September 22 (XINHUA) -- Yang Dezhi, chief of General Staff of the Chinese People's Liberation Army, held a banquet in honor of General Rahimuddin Khan, chairman of Joint Chiefs of Staff committee of Pakistan, his wife and their party here this evening.

Yang and Rahimuddin expressed the hope for the expansion of friendly relations and cooperation the two armed forces have established on the basis of mutual understanding. Rahimuddin and his party arrived here yesterday. Earlier today, they watched an exhibition of military skills on the outskirts of Beijing.

HUANG HUA MEETS PAKISTANI WOMEN'S DELEGATION

OW221258 Beijing XINHUA in English 1236 GMT 22 Sep 86

[Text] Beijing, September 22 (XINHUA) -- Huang Hua, vice-chairman of the Chinese National People's Congress Standing Committee, met a women's delegation from Pakistan here today.

The delegation is led by Shaheen Atiqur Rehman, minister of Social Welfare and Women's Affairs of Punjab Province. During their stay in China, the Pakistan visitors have toured Chengdu, Shanghai and Hangzhou, and are scheduled to leave here for home tomorrow.

'DOUBTS' CAST ABOUT DIPLOMAT'S PAKISTANI ASSASSIN

OW211424 Beijing XINHUA in English 1314 GMT 21 Sep 86

["Doubts Cast Over Identity of Soviet Diplomat's Assassin in Pakistan -- (by Li Jiasheng)" -- XINHUA headline]

[Text] Islamabad, September 21 (XINHUA) -- Antonina Gorenkova, wife of a murdered Soviet diplomat, failed to identify the alleged assassin of her husband, and their 11-year old daughter Kativa said the pistol shown to her by the police was not the same the murderer was holding. The identification was made at the Soviet embassy last night, according to informed sources here today.

Fedor Gorenkov, Soviet acting military attache, was shot dead here on September 16 and the suspect assassin named Zafar was arrested on the spot and is now under interrogation by the police.

The sources said that the widow was brought to the embassy's reception where the identification parade was held by five men. She was still in a state of deep shock and could not walk properly. She said that she saw one man approaching the car and remembered the man's face and clothes, but she was not sure that they were the same as Zafar's.

Another important point she made was about the pistol shots. According to the police, Zafar fired at Gorenkov from point blank range but Antonina said that the shots she heard seemed to be coming from a distance. Mrs. Gorenkova claimed she saw a man running away from the car and all the time he was looking back at them and he was not Zafar.

The Soviets said that Kativa, who has some knowledge about weapons because of her father's profession, also failed to recognize the pistol when the police showed her the photographs of the weapon allegedly used by the murderer. It is not the same, she said. The Soviets also made some interesting revelations in their several meetings with the police. According to the police sources, they informed them that Zafar had written to the embassy that he suffered from AIDS, a disease which is so far incurable. He wanted to go to the Soviet Union for treatment.

The Soviets, the police sources said, did not elaborate why Gorenkov stopped his car for a stranger. "It is a mystery for us as well," the Soviets replied when asked. They also denied that Gorenkov already knew Zafar.

The embassy officials also denied the love story published in some local papers. The papers reported that the suspect fell deep in love with a Soviet girl and wanted to marry her. She promised him her marriage if he could get a visa to the Soviet Union. A Soviet official said that no girl from the embassy had anything to do with Zafar.

The Soviets were also reported to have denied that Zafar was an informer who killed the diplomat on being ditched. They accepted the police claim that Zafar was a deranged person. However, they seemed to believe that Zafar was arrested by mistake while hanging around.

The statements of Antonina and Kativa, who left here last night for Moscow with Gorenkov's body after autopsy, have created more doubts about a case already shrouded in mystery. Soviet officials previously said that there were people who did not want any progress at Geneva and they would not hesitate to create obstacles in the way of the talks, including the murder of a Soviet diplomat. The Pakistan official news agency in its commentary yesterday compared the Soviet reaction with their reaction to a similar incident in New Delhi in March last year in which a Soviet engineer was killed. The Soviet accepted the killing of their man in New Delhi as outright murder but in the case of Fedor Gorenkov they are politicizing the death, the commentary said.

QIAO SHI MEETS INDIAN MARXIST DELEGATION

OW161312 Beijing XINHUA in English 1253 GMT 16 Sep 86

[Text] Beijing, September 16 (XINHUA) -- Qiao Shi, member of the Political Bureau and Secretariat of the Chinese Communist Party Central Committee, met and feted here today a delegation from the Communist Party of India (Marxist). The Indian delegation is led by Samar Mokherjee, member of the Political Bureau of the Indian Communist Party (Marxist) Central Committee.

MILITARY EQUIPMENT PRODUCTION DISCUSSED WITH UK

OW230118 Beijing XINHUA in English 0057 GMT 23 Sep 86

[Text] London, September 22 (XINHUA) -- British Prime Minister Mrs Margaret Thatcher today met visiting Chinese Defense Minister Zhang Aiping and both sides expressed their desire for closer cooperation in military equipment production and technological exchanges.

At her official residence, 10 Downing Street, Thatcher expressed her welcome to Zhang's visit, the first visit to Britain by a Chinese defense minister. She told Zhang about the wonderful impressions she had got during her visits to China and recalled the successful visits to Britain by Chinese Premier Zhao Ziyang last year and Chinese Communist Party General Secretary Hu Yaobang last June.

The Chinese defense minister, on his part, expressed his appreciation of the warm and friendly reception accorded him since his arrival here four days ago. He told the prime minister how much the Chinese people were looking forward to Her Majesty the Queen Elizabeth's forthcoming state visit, the first visit to China by a monarch of the United Kingdom.

During their 45-minute friendly talk, Mrs Thatcher and Zhang reviewed with satisfaction the development of Sino-British relations over the past few years. They exchanged views on a number of current international issues of common interest as well as the ways of maintaining peace in the world. Chinese Ambassador to the United Kingdom Hu Dingyi was present on the occasion.

The Chinese defense minister, who came here for an eight-day visit to Britain at the invitation of British Defense Secretary George Younger, met his host and called on British Foreign Secretary Sir Geoffrey Howe last Thursday. Yesterday, Zhang visited the tomb of Karl Marx at Highgate, North London, to pay profound respect to the great teacher of the world proletariat.

SINO-FRG COOPERATIVES SEMINAR OPENS IN BEIJING

OW222044 Beijing XINHUA in English 1646 GMT 22 Sep 86

[Text] Beijing, September 22 (XINHUA) -- Dozens of Chinese and German experts are discussing the development of cooperative organizations in China and Federal Germany at a seminar which opened here today.

Over 85 percent of China's rural households have bought shares in the country's 35,000 supply and marketing cooperatives, a seminar official said. According to the official, more than 4.3 million people are working for the cooperatives which have fixed assets of 17.9 billion yuan (about 4.8 billion U.S. dollars).

Besides, there are more than 12 million rural enterprises in China which produces 40 percent of the total output value of China's countryside, the official said. The seminar is sponsored by the Agricultural Bank of China.

YANG DEZHI MEETS FRENCH NAVY CHIEF OF STAFF

OW221712 Beijing XINHUA in English 1538 GMT 22 Sep 86

[Text] Beijing, September 22 (XINHUA) — Yang Dezhi, chief of General Staff of the Chinese People's Liberation Army (PLA), met with Admiral Yves Leenhardt, chief of the staff of the French Navy, his wife and their party here today. Yang said that he is confident that Leenhardt's current visit would contribute to the friendship between the Chinese and French peoples and their navies. Leenhardt expressed his hope for increasing the exchanges between the two navies in the field of weaponry information and technology. Liu Huaqing, Navy commander of the PLA, was present at the meeting.

ZHANG JINGFU MEETS NORWEGIAN INDUSTRY MINISTER

OW191926 Beijing XINHUA in English 1627 GMT 19 Sep 86

[Text] Beijing, September 19 (XINHUA) — The Chinese Government will take new measures to encourage new foreign investment in China, State Councillor Zhang Jingfu said here today. Zhang Jingfu spoke about investment at a meeting with a Norwegian industrial delegation led by Finn Kristensen, Norwegian minister of industry. He said special preferential treatment will be given to all Sino-foreign joint-venture enterprises and those run with foreign capital which earn foreign exchange through exports to the international market, and those which transfer advanced technology to China.

Zhang welcomed more Norwegian entrepreneurs to invest in China, adding that Norway has much advanced technology and management experience in the energy exploration, hydro-electric power, off-shore oil and petro-chemical industries. "We welcome Chinese and Norwegian investors to strengthen their cooperations in these fields," he said. Kristensen said members of his delegation include many industrialists and entrepreneurs who are willing to participate in China's economic development. He expressed the hope that China and Norway would expand cooperation in areas of mutual interest.

The delegation arrived in Beijing Wednesday at the invitation of Lu Dong, minister in charge of the State Economic Commission. Lu exchanged views with Kristensen of furthering cooperation in the fields of economics and industrial technology. The delegation is scheduled to visit the Xiamen Special Economic Zone in southeast China's Fujian Province to discuss additional cooperation between the two countries.

NPC VICE CHAIRMAN MEETS BELGIAN CHRISTIAN GROUP

OW191142 Beijing XINHUA in English 1127 GMT 19 Sep 86

[Text] Beijing, September 19 (XINHUA) — Zhu Xuefan, vice-chairman of the National People's Congress Standing Committee, met with a delegation of Christian Trade Unions led by President Jef Houthuys here today. In a friendly talk, they shared the view that the increased cooperation between the two trade unions will contribute to the development of bilateral relations. The Belgian friends arrived here September 16 for a goodwill visit to China as guests of the All-China Federation of Trade Unions.

JARUZELSKI LEAVES WARSAW FOR MPR, PRC, DPRK TOUR

GW202007 Beijing XINHUA in English 1829 GMT 20 Sep 86

[Text] Warsaw, September 20 (XINHUA) -- Polish leader Wojciech Jaruzelski left today for a three-nation Far-Eastern Asian trip, which will include a three-day working visit to China. This is the first visit by the country's top leader to the Far Eastern Asian region in more than two decades.

Jaruzelski, first secretary of the Polish United Workers' Party and chairman of the Council of State, will make a stopover in Moscow before he travels to Mongolia on September 22. He will visit the Democratic People's Republic of Korea from September 24 to 28 and China from September 28 to 30. Accompanying Jaruzelski for the visit are party Politburo members Jozef Czyrek and Czeslaw Kiszczak, who is also minister of internal affairs and Vice-Premier Zbigniew Szalajda. Polish Premier Zbigniew Messner saw Jaruzelski off at the airport. The trip is taking place at a time when Polish relations with the three countries are developing smoothly. The Polish newspaper "THE REPUBLIC" today described China as the country's largest and attractive trading partner in the Far Eastern region.

XINHUA ON DEVELOPING SINO-POLISH RELATIONS

OW201156 Beijing XINHUA in English 1135 GMT 20 Sep 86

[Text] Warsaw, September 20 (XINHUA) -- Sino-Polish relations and cooperation have further developed in many fields in recent years. The contacts and exchanges of visits between government officials of the two countries have increased. The Chinese and Polish foreign ministers have held talks during the U.N. General Assembly every year since 1984. The vice-premiers in charge of economy exchanged visits last year. The vice-chairman of the Chinese National People's Congress, Wang Renzhong, visited Poland last year and Polish Parliamentary Marshal Roman Malinowski visited China in June this year. These contacts and visits have promoted Sino-Polish relations and enhanced the traditional friendship between the two peoples.

Sino-Polish trade relations have made considerable progress, as their trade volume rose to 294 million U.S. dollars in 1984. In the same year, a ten-year agreement on economic, trade, scientific and technological cooperation was signed and the two governments set up a committee to implement it. The volume of goods exchange in 1985 was 2.8 times that of 1984. The two governments signed a long-term trade agreement for 1986-90 and the trade volume will reach 938 million U.S. dollars this year. Under the terms of the trade agreement, China provides Poland with rice, tea, pork and cotton, and in return, Poland exports machinery, vehicles and steel to China. Chinese tea now accounts for one-third of the Polish tea market.

In addition to the barter trade, economic cooperation has also developed in the fields of joint-production, transfer of technology and the remodelling of old factories. The Sino-Polish Shipping Company, set up in 1951, has played an important role in improving seaborne trade between China, Poland, Czechoslovakia and Hungary. The history of scientific and technological cooperation between the two countries dates back to 1954 and involves dozens of areas including coal industry, power industry, railways, agriculture, forestry, and the light and chemical industries. The 1986-90 program of scientific and technological cooperation signed between China and Poland in May has further extended the range of the cooperation.

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EASTERN EUROPE

Sino-Polish cultural exchanges have also developed rapidly. In 1984 the two governments signed a cultural and scientific exchange program for 1985-86. Many arts, sports and cultural delegations have exchanged visits, which have promoted the mutual understanding of the two peoples during the past two years. Polish leader Wojciech Jaruzelski will pay a working visit to China later this month, which will undoubtedly further develop cooperation between the two countries.

NPC DELEGATION LEAVES ON EAST EUROPEAN TOUR

Led by Liao Hansheng

OW180916 Beijing XINHUA in English 0853 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- A delegation from the National People's Congress (NPC) led by NPC Vice-Chairman Liao Hansheng left here this morning for goodwill visits to Bulgaria, Hungary and Czechoslovakia. The delegation was sent at the invitation of national assemblies of these three countries.

Vice-Chairman of the NPC Geng Biao and the three countries' ambassadors to China went to see off the delegations at the airport. Other members of the delegation include Wang Hanbin, secretary-general of the NPC Standing Committee, Yu Wen, Zhang Zhen and Mei Xing, members of the NPC.

Before leaving, Liao told reporters that the visit will expand contacts between the parliamentary bodies of China and Bulgaria, Hungary and Czechoslovakia, promote the friendship between peoples of China and the three countries. China will take this opportunity to learn the experiences of the three countries in their parliamentary works and in constructing their countries, he added.

Arrives in Bulgaria

OW200254 Beijing XINHUA in English 0126 GMT 20 Sep 86

[Text] Sofia, September 19 (XINHUA) -- A delegation from the Chinese National People's Congress (NPC) led by its Vice-Chairman Liao Hansheng arrived here today for an eight-day goodwill visit. The delegation was greeted at the airport by Drazha Vulcheva, vice-chairwoman of the Bulgarian National Assembly.

Vulcheva, who paid a visit to China recently, told Liao that she was very glad to meet him in Sofia.

The reciprocal visits mark the continuous development of friendly cooperation between the two countries, Vulcheva said.

Bulgaria is the first leg of Liao's East European tour which will also take him to Hungary and Czechoslovakia.

FURTHER ON LIAO HANSHENG DELEGATION IN BULGARIA

For Bulgarian coverage of the visit to Bulgaria of a parliamentary delegation led by Liao Hansheng, vice chairman of the Standing Committee of the National People's Congress, see the Bulgaria section of the 22 September Eastern Europe DAILY REPORT and subsequent issues.

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XI ZHONGXUN, ZHU LIANG MEET KENYA DELEGATION

OW221822 Beijing XINHUA in English 1516 GMT 22 Sep 86

[Text] Beijing, September 22 (XINHUA) -- Xi Zhongxun, member of the Political Bureau of the Chinese Communist Party (CPC) Central Committee, met with a delegation of the Kenya African National Union here today.

Xi noted that the delegation led by the Union's National Chairman David Okiki Amayo is the first delegation sent by the Kenya African National Union to visit China. This means the expansion of the friendly relations between the CPC and the Kenya African National Union and the strengthening of friendship between the two peoples.

Amayo said that his delegation's visit would help increase mutual understanding. He also expressed the hope for the continuous growth of bilateral friendly relations. After the meeting, Xi gave a dinner in honor of the delegation.

The delegation arrived here this morning on a goodwill visit to China at the invitation of the CPC. This afternoon, Zhu Liang, head of the International Liaison Department of the CPC Central Committee, held talks with the delegation.

MOROCCO PRESENTED MEDICAL AID, EQUIPMENT

OW222107 Beijing XINHUA in English 1830 GMT 22 Sep 86

[Text] Rabat, September 22 (XINHUA) -- China has given Morocco a present of medicines and medical equipment worth some 268,000 U.S. dollars.

At the hand-over ceremony Monday, Moroccan Public Health Minister Taieb Bencheikh, and Chinese Ambassador Wei Dong signed the document on behalf of their governments.

JI PENGFEI MEETS NIGERIAN GOVERNOR 22 SEP

OW221700 Beijing XINHUA in English 1522 GMT 22 Sep 86

[Text] Beijing, September 22 (XINHUA) -- Chinese State Councillor Ji Pengfei met here today with Amadou Seyni Maiga, governor of Maradi in the Niger. Maiga arrived in China September 9 as a guest of the Chinese People's Association for Friendship With Foreign Countries. He will leave Beijing for home tomorrow.

WEN JIABAO GIVES LUNCHEON FOR MALIAN GROUP

OW19130 Beijing XINHUA in English 1257 GMT 19 Sep 86

[Text] Beijing, September 19 (XINHUA) -- Wen Jiabao, director of the General Office of the Chinese Communist Party Central Committee, met and gave a dinner here this evening in honor of a group of vacationists from the People's Democratic Union of Mali, led by Ouma Coulibaly, member of the Union's Central Executive Bureau.

YANGCHENG WANBAO ARTICLE URGING DENG TO STAY ON

HK170717 Guangzhou YANGCHENG WANBAO in Chinese 15 Sep 86 p 1

[Article by Wei Yin: "Deng Xiaoping, Please Stay a Little Longer"]

[Text] Deng Xiaoping initiated the abolition of the life tenure system for cadres. However, he is already at the advanced age of 82 and has not retired. Many people say that if "His Excellency Deng" insists on retiring from office, they will be worried. It can thus be seen that the masses greatly value the role of an outstanding leader.

The Japanese hold that the chronological, physiological, and psychological age of a person are different. Some people are only 30 to 40 years old and yet they are physiologically and psychologically aged. They look older than people of 50 or 60, or even older than the 82-year-old Deng Xiaoping. Although some people who are 60 or 70 years old are still ideologically making progress every day, they are short on energy and their ability falls short of their desire. However, as is known to everybody, judging from his health and from his state of mind, Deng Xiaoping is full of vigor and vitality. He seems to be able to retain his youth forever. The records of his recent television interview with U.S. reporter Wallace have convincingly proved this. This reporter raised questions difficult to answer and such questions could not be evaded. Nor could Deng stall the reporter with diplomatic language. "His Excellency Deng's" art and logic in answering those questions have won him great admiration. All this has shown the deep insight into issues at home and abroad of an outstanding statesman and has accurately reflected his quick wit. He is different from those statesmen who become senile once they are old. He is well capable of continuing to participate in work to lead the 1 billion people in their advance toward the set objectives.

Of course, if he retires or after he passes away, the earth will not stop rotating. At present, a relatively politically mature leading group has formed in the party's Central Committee that is fully capable of shouldering the great mission which history has entrusted it with. However, if "His Excellency Deng" can stay on a little longer, the people will accept this as a good omen. Deng Xiaoping told the U.S. reporter that he is persuading the people to let him retire. However, he also said that so far what he has heard are dissenting voices all around him. The reason for writing this humble article is to add a few decibels to the dissenting voices.

PLA HOLDS MEETING IN GUANGZHOU ON MILITARY TACTICS

HK220741 Guangzhou NANFANG RIBAO in Chinese 20 Sep 86 p 1

[Report by Su Ruozhou and He Jinsheng: "The Army Has Opened Up a New Path for Combined Tactical Training -- The General Staff Headquarters Holds an On-Site Meeting in the Guangzhou Military Region"]

[Text] The PLA's on-site meeting on the reform of combined tactical training concluded yesterday. Introduction of the reform experience of a motorized infantry division to the whole army was approved. This experience shows that the PLA is freeing itself from the battle mode of a single military branch which has lasted for many years and is advancing along the course of a modern mode of combined operations by a variety of military branches.

The meeting was held by the PLA General Staff Headquarters in the barracks of the motorized infantry division of the Guangzhou Military Region starting 13 September. More than 100 military training experts from all units of the PLA attended the meeting and inspected the reform results of the infantry division. PLA Chief of General Staff Yang Dezhi, Deputy Chief of General Staff Han Huaizhi, leading comrades of the Guangzhou Military Region You Taizhong, Zhang Zhongxian, Zhang Wannian, Liu Anyuan, Chi Yunxiu, and leading comrades of Guangdong Province and Guangzhou City Lin Ruo, Liang Lingguang, and Xu Shijie viewed the military exercises of using the combined battle tactics by this infantry division during the meeting.

According to the military experts who viewed the military exercise, the infantry division's training results mark a higher level of combined tactical training for our army.

PLA DISCUSSES EFFORTS TO RAISE SOLDIERS' MORALE

HK180431 Beijing WEN ZHAI BAO in Chinese No 347, 14 Sep 86 p 1

[Report by WEN ZHAI BAO Materials Office: "Armed Forces Launch Major Discussion on Soldiers' 'Gains and Losses'"]

[Text] A major discussion on how to correctly approach soldiers' "gains and losses" is being gradually launched in all PLA units.

The major discussion has been launched with the principal aim of countering the argument "it doesn't pay to serve in the Army" that has extensively emerged in Army units. The in-depth development of military streamlining, reorganization, and reform will inevitably touch upon the immediate interests of some cadres and soldiers, giving rise to an increasing number of arguments characterized by the words "it doesn't pay to serve in the army." These include "the soldier's status has dropped," "Soldiers contribute much but get little", "if you want to be well-off you have to take off the military uniform" and so on.

So is it true that it doesn't pay to serve in the Army? How should we approach the question of suffering losses? Some Army units have attained notable results by organizing officers and men to hold discussions, and guiding them to correctly understand the question of gains and losses, and consciously fostering the idea of dedicating themselves to national defense. This practice has been fully affirmed by Yu Giuli, director of the General Political Department. As a result, this activity is being launched throughout the Army with direction and in a planned and systematic way.

PLA LECTURE SERIES TO COVER THEORETICAL STUDIES

HK180407 Beijing RENMIN RABAO in Chinese 14 Sep 86 P 4

[Report by Reporter Luo Tongsong "PLA General Staff Headquarters Holds Lecture Course To Promote Theoretical Studies"]

[Text] The first in a series of lectures on the application and development of Marxism in contemporary China, sponsored by the PLA General Staff Headquarters, was given on 13 September. [paragraph continues]

High-ranking and medium-ranking officers of the PLA General Staff and other large PLA units in Beijing listened with great interest to the lecture given by Du Runsheng, director of the Rural Policy Research Center of the Secretariat of the CPC Central Committee. His lecture concerned theory and practice in the new period of the development of our country's rural reform.

In order to implement Comrade Deng Xiaoping's instruction on strengthening Marxist theoretical studies for leading cadres, the high-ranking and medium-ranking cadres who are proficient in military theory will spend three months studying and researching Marxist theories by centering on the major practical questions in our country's modernization drive and reform. Their work will enable them to further deepen their understanding of how the CPC Central Committee's major policies on reform and opening up to the outside world are the application and development of Marxism in our country's new historical period and will help them make ideological and theoretical preparations for the further development of the reform.

The lectures sponsored by the PLA General Staff Headquarters include: Our party's original idea and contributions to the building of the spiritual civilization, the theoretical question of the development of the socialist commodity economy, our party's exploration and practice in the building of socialist democracy and the legal system and the reform of the political system and so on, totaling seven lectures. All the lectures will be given by the leading comrades of the relevant departments of the CPC Central Committee.

LIAOWANG DISCUSSES CHANGE IN WAR TACTICS

HK220700 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 37, 15 Sep 86 pp 15-16

[Article by Zhang Qingsheng, Liang Hunan, and Yan Xiaoyin: "A Study and Exploration of Local War Theory"]

[Text] Editor's note: Recently, people in military theoretical circles in China began to pay attention to the study of local war theory. This trend indicates that they are beginning to free themselves from the frame of "world war" and form a concept with multiple targets. A harmonious atmosphere of free discussion is arising in the Chinese military theoretical sphere. This magazine publishes herewith an article by three young military theoretical researchers on local warfare. [end editor's note]

From the war arena and through the long process of history, people will discover that with the developing of human civilization, war has undergone a long process of savage bloody fights, taking cities by arms, colonial plundering of distant lands separated by vast oceans, large-scale wars sweeping the whole world, and fierce rivalry in modern battlefields by means of high technology. The objective law of war suggests that as a special, complex social phenomenon, war is absolutely not a mechanical repetition or simple imitation of history. In different historical periods, the causes and forms of war always bear distinctive historical imprints. Nowadays, war has many new characteristics. This requires us to gain the upper hand in the development of modern war, to understand the changes in war, to discard the old concept of war, and to put forward a local theory of war.

The Law of the Negation of the Negation Governing the Changes in the Basic Form of War

Looking at the history of the development of war shows that war undergoes a process of local war, world war, and new local war. [paragraph continues]

This is not a simple "three-stage form" but a development process of a philosophical nature from lower to higher grades.

With the emergence of class society, the specter of war fell over mankind and has continued to exist in the capitalist era. This has been a long era of local war. Although semi-civilized nomadic tribes, ancient empires, feudal lords and tyrants in the Middle Ages, and bourgeois republics in the 19th century fought their wars in different ways, by different means, and for different purposes, these wars took place on a local scale in some regions of the world. From the "Battle of Cannae" between Carthage and ancient Rome, to Genghis Khan's expedition to Europe and Asia, to the Napoleonic Wars, firearms replaced spears and the scope of military activities expanded from land to sea, but this did not change the local nature of these wars. As German military theorist Clausewitz said, the "scope of these wars was limited and small because the basis on which they were laid was narrow." The wars at that time were fought in limited regions, with limited targets, by limited means, and for limited purposes.

In the period of monopoly capitalism, monopoly has replaced free competition, capitalist production has gone beyond the scope of one country, and world capitalism has completely taken shape. The rapid growth of the social productive forces, the sharp increase in the number of troops, the application of new achievements in the industrial revolution to the military field, and the aggravation of contradictions in the capitalist world have brought about a qualitative change in the scope of war, which has now taken on a worldwide nature. World war broke out for the first time in human history in the early 20th century. Twenty years later, World War II, which was on an even larger scale, broke out. The scope and scale of this war were unparalleled in history.

Over the 40 years since the end of this year, various countries have been on guard against the possible outbreak of another world war. However, what mankind faces is a comparatively stable and peaceful period where there are no large-scale wars. Local wars have taken place one after another and are becoming increasingly intense. In a new form, these local wars occupy a dominant position in the war arena.

The Necessary Choice of Form in War

The outbreak of these new local wars is not accidental, as there are profound political, economic, military, scientific, and technological factors behind them.

As everyone is aware, war is not an isolated matter. It is the continuation of politics and a special means adopted for achieving political aims.

A world war in the past was said to be a necessary means of achieving political aims. But today, this type of war may become an "alien force" in politics rather than a means of achieving political aims. As a means, this type of war is becoming contradictory with its purpose, so contradictory that politics has no choice but to achieve its target more effectively and safely.

The emergence of weapons of arms slaughter and destruction expanded the scope of war. This has placed mankind under an unprecedented threat of a world war, which might even lead to human destruction. Obviously, no politician or war maniac will rashly make a choice which endangers the existence of all mankind. This is not merely the instinct of mankind but the law of politics as well. When mankind needs a war, politics will choose a means of war which is beneficial to realizing its aim, and no other.

Under the influence of the new worldwide technological revolution, the traditional concept concerning boundaries between continents and nations is becoming vague, the economies all over the world are merging into an integral whole, and the relationships of economic interests between various countries are becoming closer and more complex. Undoubtedly, this trend of mutual reliance, mutual embodiment, and mutual restriction in the economic field serves as a powerful check on a world war.

Following the progress of human society and the improvement of its civilization, people have fostered stronger hatred for war and cherished more hope for peace. This is even more so for countries and people who have survived the sufferings of the past wars. No individual, no country, and no party must turn a blind eye to world peace movements. The increase in the force for peace has outstripped that in the threat of war. However, when politics requires a new form of war to serve it, a local war will break out. It should be pointed out that this local war will bear new characteristics both in content and form; it will no longer be a local war in the original sense, nor will it be a simple repetition of history or a mechanical recurrence of the old. It is a new form of war with the characteristics of the era.

The development of modern science and technology has provided the necessary economic conditions and sufficient material means for the substitution of a world war by a local war, through which both tactical and strategic aims can be achieved. Therefore, local warfare will possibly become the only form of war acceptable and tolerable to human civilization.

The significance of local warfare lies in the fact that it is an effective means to check a world war and provides a more effective and safer form of war for politics. Since local warfare can meet the special needs of politics and since a "small war" or a "medium-scale war" can "subdue others," no intelligent politician will rashly choose a form of war which will spoil his political aims.

When we say that local warfare will become the basic form of war, we do not mean that world war will not break out. We are referring to something universal but not excluding the accidental; this is our dialectical view on war.

In Face of Local Warfare

Making full preparations for a world war, which is not actually possible, to the neglect of local warfare is a tendency which merits attention.

We are of the opinion that the world has entered the era of local warfare. However, quite a number of people are still fond of having heated discussions on a world war. Some people say that local warfare is the epitome of a world war. So it is enough to study a world war and there is no need to carry out research into local warfare. In fact, there is a qualitative difference between a world war and local warfare, both in theory and practice. The viewpoint which believes that it is not difficult to win a local war so long as one can cope with a world war will lead to dangerous strategic planning and erroneous macro-policymaking.

The traditional connotation of local warfare boils down to "limited targets, limited space, limited time, and limited means." However, the present era has bestowed a new and expanded connotation to local warfare: limited targets can be put under control, limited space can be freely chosen, limited time can be fully used, and limited means can be applied with high technology. [paragraph continues]

This has brought about a diverse change in the characteristics of local warfare: A change from a regional war between different allies to a direct military confrontation between different countries, a change from a "war of agents" controlled from behind the scenes to a "surgical" attack, a change from an armed border clash to a destructive raid, and a change from armed subversion to terrorism. It can be expected that local warfare will take more new forms following the development of theory and practice.

The emergence of the era of local warfare will produce a series of impacts on human society. Various countries in the world are now readjusting their strategies and refixing the focus of their national defense capabilities as well as the direction in the development of their armed forces. To cope with this trend, the United States recently set up a "low-intensity war research center" directly under the Department of Defense, and is planning to form a "low-intensity war coordinating bureau"; the NATO countries are allocating funds to reinforce special corps and "light, speedy shock brigades" which can tackle local warfare; and the Soviet Union also regards local warfare as a "special type of military operation under modern conditions" and has asserted that it is "ready for local, small-scale regional wars." Today, local warfare has become the most prevalent term used by military theorists to describe a war or an armed clash. These different approaches aimed at the same purpose indicate that various countries in the world are working out measures to cope with local warfare.

The transfer in viewpoint from tackling the emergency of a world war to focusing attention on the outbreak of local warfare suggests the beginning of a major historical change. This is how to understand the new law and new trend of the development of war, and its significance has gone far beyond that of the debate over the form of war.

In the era of local warfare, we are required to establish a complete new military theory embodying the law of local warfare, so as to cope with the development of the situation. We should understand that in the new type of local warfare, the distinction between strategy, battles, and tactics is becoming vague, the traditional division of a war into the early, intermediate, and late stages is losing its significance, the traditional three-stage pattern of "defense, stalemate, and counteroffensive" will disappear, and new laws will govern mobile warfare, positional warfare, and guerrilla warfare. For this reason, it is necessary to rearrange the compositional proportion of arms and services to speedily perfect the operational system of local warfare, to change military deployment based on "large-scale wars," to study and ascertain the macro-planning for the development of weapons and equipment, to give prominence to "highly-efficient, precision, and advanced" weapons and equipment, to abide by the principle of "developing new weapons," to stress equipping quick-response units with high technology, and to base the education and training of the Army on local warfare. In the course of training the Army, it is necessary to explore new war methods, to work out new principles for winning a war, and to enrich and perfect the theory of local warfare.

In short, stressing the importance of local warfare does not mean ignoring the modernization of the Army. Instead, it sets higher demands for the modernization of the Army.

The Only Way to Develop War Theory

The outbreak of a new local war symbolizes the coming of a new war era. Thus people are required to change their old way of thinking, to discard their traditional concept of war, and to reconsider major problems in the military academic sphere.

The emergence of local warfare in the modern war arena has allowed war theory to develop in diversification. This trend suggests that war theory is full of vitality. Today, the hotbed of local warfare has helped produce a number of war theories. The much-discussed topic in Western military theoretical circles today is "intermediate-and low-intensity war." Some people have even taken this theory as the most important war theory in this century. This shows that people in Western military circles also pay close attention to local warfare.

This is an era when a major change is taking place in the concept of war. It is an era in which old and new systems, old and new ideas, and old and new theories are mixing and coexisting. It has injected new life and vitality into theoretical work and has, at the same, brought unprecedented difficulties to it. For a long time, due to the influence of the concepts of "small-scale production, small-scale economy, small-scale science, and small-scale military science," the soil of theory has been poor and the garden of academics has withered. To change this situation, it is necessary to work hard and "cultivate the land."

Famous military theorist Liddle Hart once ironically said: "The only difficult thing about injecting new ideas into soldiers is removing their old ideas." We would like to use his words in our conclusion with a view to drawing people's attention to local warfare which has just appeared in the war arena, so as to bring about a change in their traditional concept of war and old way of thinking.

ENTERPRISE REPORTING REQUIREMENTS TIGHTENED

OW170844 Beijing XINHUA in English 0803 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- In an attempt to regulate runaway capital spending, the Chinese Government has ordered enterprises to file more frequent reports on their activities, the "ECONOMIC DAILY" has reported. The new rules require state enterprises to file monthly reports on purchases of new equipment and other fixed assets, according to an official of the State Statistics Bureau quoted by the paper. Collective and private enterprises are required to report capital spending semiannually. All enterprises must report purchases of motor vehicles and ships on a monthly basis.

Beginning as of January, the official said, enterprises will be required for the first time to report state appropriations, loans and funds from other sources separately to allow the government to monitor the flow of investment capital. The official said the new reporting requirements had been developed by the State Council, China's highest governing body. "They must be strictly observed," he said. "Anyone who fails to report unauthorized capital construction projects or disguises them as equipment upgrading will be disciplined." The paper offered no specifics.

RENMIN RIBAO VIEWS PROMOTION, DEMOTION OF CADRES

HK221333 Beijing RENMIN RIBAO in Chinese 18 Sep 86 p 1

["Newsletter" by reporter Gong Dafa: "New Cadres in Wuhan Can Go Upward and Also Can Go Downward"]

[Text] If a recently promoted new cadre was relieved of his post not because of his mistakes, but because of his middling performance in work, what would you think of the matter? [paragraph continues]

"It is absolutely necessary." This was the frank answer to the question given by a new cadre in Wuhan City who was recently removed from office.

Of late the Wuhan City party committee Organization Department made investigations and studies in two districts, seven bureaus and one large enterprise. The result shows that it is necessary and possible that cadres go upward and downward and this has begun to become a regular practice. Over the past few years, the ten units promoted 1,486 new cadres, but 196 of them were removed from office or were transferred to other posts because of their incompetence in work. This accounted for 13.2 percent of the total of newly-promoted cadres. Except for a small number of them who were discharged because they engaged in speculation and profiteering and abused power for personal gain, the others were demoted because they were promoted in haste and could not be necessarily trained, or because they did not have the ability to organize and command the masses and to control the whole situation and could not open up new prospects in work. These demoted cadres receive remuneration according to the new jobs assigned to them and no longer enjoy the treatment meted out to them before they were demoted.

During the reform of the cadre system, Wuhan City made continued efforts to educate cadres and the masses to break with the conventional ideas of "officials are more valued than civilians," and "those who are demoted must have committed mistakes," thus clearing away ideological obstacles for cadres who are ready to go upward and downward. At the same time, in addition to the institution system of personal responsibility for work, the city also regularly appraise cadres through democratic discussions so that promotion and demotion of cadres can be fully substantiated. The Wuhan Petrochemical Plant persists in checking on cadres at regular intervals by assessing their political integrity, ability and performance in work so as to give them marks of different grades. In this way, cadres will not be gratuitously promoted and demoted. Some newly-demoted cadres have said that they have peace of mind and do not have any grievances.

In recent years a number of cadres in Wuhan have stood the test of being promoted and demoted several times. They did not feel pleased when they were promoted and they were not distressed when they were demoted; they attached most importance to the cause of the party, thus introducing a new style for our new cadres. Last year the Wuhan Iron and Steel complex demoted over 2,000 cadres in a streamlining campaign and sent more than 70 leaders and 500 clerks back to the workshops. This year it checked on 285 newly-promoted cadres and removed 13 of them from office because they showed no aptitude for their work.

These cadres have been demoted but they know to avoid their weak points and display their strong points and give fuller play to their skills in the new positions which they are more qualified for. In the Wuhan Petrochemical Plant, a former deputy head of a workshop can now work very well as an equipment operator. Recently he used half of the scheduled time in finishing the design of a blueprint for transforming a set of equipment. In this factory, 46 cadres who were transferred or demoted have achieved success in their vocation and technical positions and quite a few of them have been commended as exemplary party members and advanced workers.

Commentator's Article

HK221335 Beijing RENMIN RIBAO in Chinese 18 Sep 86 p 1

[Commentator's article: "New Cadres Should Also Be Ready To 'Go Downward'"]

[Text] During the organizational reform of the past few years, we abolished the existing system of life-long tenure for cadres and replaced it with a forced retirement system. This has ensured the succession of the new to the old in leading bodies of various levels and has yielded good results. Does this then mean that cadres who are holding leading posts, and especially newly-promoted cadres, can firmly hold their posts free from care as long as they do not make any mistakes yet show no aptitude for their work? No. Newly-promoted leading cadres should also be demoted if they are not qualified for their new jobs.

Not long ago, the Wuhan Iron and Steel Complex removed 13 new cadres from office, the Bureau of Machinery and Electronics products removed 53, and the Ministry of Astronautics industry demoted and transferred 3 cadres at the bureau level and 9 at the departmental level. These cadres were demoted not because of their age and mistakes, but because of their qualifications and ability. This has set a precedent for new cadres, we should be ready to "go upward and downward".

Party policy encourages cadres to be ready to "go upward and downward." This policy is applicable not only to old cadres but also to the new. If new cadres are not qualified for their new posts, they should be demoted. This is quite natural. If new cadres who are incompetent in their work can not be removed from office until their retirement age, this will cause a big loss in our work and hinder updating the ranks of our cadres. Being young is a prerequisite for promotion but not an excuse to exclude dismissal.

This cadre policy is applicable not only to those who commit mistakes but also to those who do not make any mistakes. Generally speaking, those who commit serious mistakes should be demoted. However, this does not mean that those who do not make any mistakes yet cannot do their work well should be discharged. If only those who commit mistakes should be removed from office, then what about those who are not qualified for their work? For example, some cadres, who are overcautious and follow rules and orders docilely, do not make any mistakes, but they cannot open up new horizons in work or are not good at administrative leadership work. It is necessary to let these cadres do work which conforms to their special skills, or to hold a leading position on a smaller scale or else to work as an ordinary cadre. This will benefit not only our cause but the cadre themselves.

Some cadres can only go upward and cannot go downward and once they are promoted it is difficult to demote them. This remains a common phenomenon. Meanwhile, some old cadres hesitate to remove some new cadres from office only because they were promoted by them, even though they are found to be incompetent in work. Under such circumstances, other leading comrades feel reluctant to raise the question in order to save face. This is obviously wrong. Not all the "winged steeds" recommended by "Bo Le" can cover a thousand li a day and some can only run a hundred li a day. If so, they should be removed from their positions. This is also the duty of "Bo Le" because they are promoted by him. New cadres who have been demoted should not have a sense of inferiority and are always soft-spoken and submissive. Everyone has his own strong points. If he cannot display his strong points in leading posts, he can give a good account of himself in other posts.

Self-knowledge is wisdom. Of course, when a cadre is demoted, pressure may be brought to him by the masses and public opinion. At this time gossips come thick and fast, and some people think that one who is demoted must have committed mistakes. Such conventional thinking must be changed.

Only by being promoted or demoted, as the case may be, will the ranks of our cadres, like an ever victorious sports team, be always kept in the "best condition" and develop the "best players" so as to lead the people to win "gold medals" for the great cause of the four modernizations one after another.

'ILLEGAL DETENTION' CASES PROSECUTION STEPPED UP

HK191145 Beijing CHINA DAILY in English 19 Sep 86 p 3

[Text] Nationwide investigation and prosecution is being stepped up of cases of illegal detention, a crime that has been rising in recent years.

In the first half of this year, the number of cases nearly doubled over the same period last year to 949, in which more than 140 people were reported to have been tortured.

A report in Tuesday's CHINA LEGAL NEWS said most of the crimes were committed by two or more people who had caused serious consequences because they often subjected their victims to ruthless treatment.

A sample survey in 11 provinces and autonomous regions showed that about one-third of the cases occurred at grassroots units where cadres abused their power and positions and detained ordinary people in violation of legal procedures. This was especially true when cadres were authorized to handle civil dispute or helped administrative or public security departments to deal with disciplinary violations and criminal cases.

According to the JILIN DAILY, a public security official at a furniture factory in Liaoyuan City, Jilin Province, was arrested for illegally detaining and beating six children under 12 years old whom he wrongly suspected of having stolen some timber.

The official tried to extort confessions of their "guilt" by whipping and kicking them. He released the children the next morning only when their parents came and paid him a fine of five yuan each.

In another case reported earlier this week by the PEOPLE's DAILY, a village Party secretary in Shaanxi Province was charged with putting 72 villagers into custody in 1984, whom he suspected might have been involved in the theft of part of his bicycle bell.

The man ordered 17 of them to be tortured and forced 28 to pay fines totalling 1,100 yuan to cover the cost of the guards' wages during the victims' imprisonment, which in some cases lasted as long as eight days.

In another case in Shaanxi Province, a senior professor and a vice-president of the Northwest Agricultural University were illegally detained for three and 16 hours respectively at a traffic safety check post in Xiangyang City because some officials at the post once quarreled with students of the university.

The CHINA LEGAL NEWS reported that many cases of illegal detention resulted from economic disputes over such matters as payment defaults and contract violations, or from civil disputes over marriages or ownership of real estate.

People were often detained as "hostages" for money or property or for consent to an arranged marriage.

The paper said there were also cases in which some policemen, with their "special privilege" mentality, detained people without reason.

The paper said cases of illegal detention have increased because many of them involved Party and government officials who abused their power and position to protect themselves from being prosecuted, and until now it had been difficult to bring them to justice. In many cases, even after discovery, prosecution has been delayed or has ended in over-lenient sentences for lack of proof.

OFFICIAL ANSWERS QUESTIONS ON PUBLIC ORDER OFFENSES

OW181053 Beijing XINHUA Domestic Service in Chinese 0019 GMT 16 Sep 86

[Text] Beijing, 16 Sep (XINHUA) — a responsible person of the Legislative Affairs Commission of the NPC Standing Committee answered questions raised by a XINHUA reporter regarding the "Regulations of the People's Republic of China Concerning Offenses Against Public Order."

Question: Why is it necessary to revise the "Regulations Concerning Offenses Against Public Order"?

Answer: Offenses against public order are acts disturbing social order, jeopardizing public security, violating public or private property, or infringing upon the rights of a citizen. Those who commit such offenses cannot be punished in accordance with criminal law but should be punished in light of the "Regulations Concerning Offenses Against Public Order." These regulations were formulated in 1957 to deal with such offenses. Since coming into force, these regulations have played an important role in maintaining public order. Since the 3d Plenary Session of the 11th CPC central Committee, tremendous changes have taken place in our country in the social, economic, political, cultural, and other fields. Many new situations and problems have occurred. It is therefore very necessary to revise the 29-year-old "Regulations Concerning Offenses Against Public Order" to improve the socialist legal system, to maintain public order more effectively, and to promote stability and unity.

Question: Comparing the new regulations with the old ones, what has been revised?

Answer: The main revisions are: First, added to the general principles is the stipulation that "public security organs shall uphold the principle of combining education with punishment in dealing with those who have committed offenses against public order." Offenses against public order are general illegal acts which do not constitute crimes. However, those who commit such illegal acts should be punished according to law in order to educate them to abide by the law. Punishment is not an end in itself. It is necessary to uphold the principle of combining education with punishment, which is helpful to those offenders against public order in recognizing and correcting their mistakes and is conducive to maintaining public order.

Second, some acts against public order which should be punished are added, such as illegally restricting others' personal freedom; illegally entering others' residences; disturbing public order on a bus, streetcar, train, ship, or other means of public transportation; and illegally making, selling, or carrying daggers, tridents, switchblades, and other knives and instruments under control. Some of the above acts which do not constitute crimes will be punished according to law.

Third, some stipulations are deleted because other laws have similar stipulations. For example, punishment of those selling fake medicines is covered in the "Law Governing Pharmaceutical Control," and punishment of those jeopardizing public health is also prescribed in another law. So the revised regulations do not include such stipulations.

Fourth, stipulations on punishment that does not coincide with the actual current conditions have been amended. The new regulations have reclassified offenses against public order according to their nature and seriousness and have stipulated different punishments for such offenses. For example, whoever commits an act disturbing public order is to be detained for no more than 15 days, to be fined no more than 200 yuan, or to be given a warning; a car driver who violates regulations concerning parking or the speed limit or a pedestrian who violates traffic rules will be fined no more than 5 yuan or given a warning.

In accordance with the principle of uniformity in the legal system, the stipulation that an act for which the "Regulations Concerning Offenses Against Public Order" provide for no punishment has been repealed and may be punished in light of the most similar stipulation after obtaining approval by a city or country public security bureau from the city or country people's committee; also repealed was the stipulation that a public security organ may punish an offender against public order more severely than is stipulated in the regulations.

Question: What stipulations are made in the new regulations for dealing with people who disagree with a decision made by any public security organ?

Answer: In order to protect the legal rights and interests of the punished and the victim, the new regulations stipulate that if those punished, or victims disagree with the decision made by any public security organ, they may appeal to the public security organ at a higher level for a ruling. In addition, the new regulations also stipulate that those who disagree with the ruling of the public security organ at the higher level may, within five days after receipt of the notice, file a lawsuit with the local people's court which will handle the case and issue a ruling on it.

Question: What kind of requirements have the new regulations imposed on the public security organs and personnel in the course of enforcing these regulations?

Answer: The new regulations stipulate: "In enforcing the regulations, the public security personnel should strictly observe the laws and discipline, enforce the regulations impartially and refrain from carrying out fraudulent practices out of personal considerations. They are forbidden to beat up, revile, mistreat or insult those who violate public order. Disciplinary actions will be taken against the offenders. Criminal liabilities will be pursued according to the law against those who committed crimes in this connection."

The new regulations also stipulate: "Any public security organ that wrongly punishes any citizen for violating public order should admit its error to the punished, return the fine and confiscated properties and belongings, and compensate the punished for their losses if their legal rights and interests have been infringed upon."

CPC SEEKS OPINIONS ON SPIRITUAL CIVILIZATION

OW220353 Beijing XINHUA Domestic Service in Chinese 0858 GMT 21 Sep 86

[Text] Beijing, 21 Sep (XINHUA) — The CPC Central Committee held a forum of personages outside the party from 1 to 6 September to seek their opinions on a draft resolution on the guiding principle for building spiritual civilization to be examined and adopted at the 6th Plenary Session of the 12th CPC Central Committee. The purpose was to consult with them in order to make a success of the important program for building socialist spiritual civilization.

The forum was attended by over 200 people, including responsible persons from various democratic parties; democratic personages with no party affiliation; personages from minority nationalities and from religious circles; responsible persons from organizations concerned; and representatives of young and middle-aged people outside the party working in the fields of philosophy, social science, national science, technology, culture, and education.

After 2 days of carefully reading the document, they divided up into eight groups to discuss the wording of the document. All comrades enthusiastically vied to speak their views in the spirit of "treating each other with all sincerity and sharing weal and woe." They said that the resolution on the guiding principle for building spiritual civilization worked out by the CPC Central Committee while beefing up efforts to build material civilization was absolutely necessary. Suggestions were made for revising certain points of the draft resolution. Xi Zhongxun, member of the Political Bureau of the CPC Central Committee; Hu Qili, member of Political Bureau and Secretariat of the CPC Central Committee; and Chen Pixian, member of the Secretariat of the CPC Central Committee, attended the forum entrusted by the CPC Central Committee. A plenary session of the forum was held on the morning of 1 September in the Great Hall of the People. Comrade Hu Qili presided over the session, and Comrade Xi Zhongxun delivered a speech.

Xi Zhongxun said: Over the past few years, we have formed a habit of cooperating closely with democratic parties and personages of various circles. That is, whenever our party is to convene an important meeting and make major policy decisions, a forum like this is held so as to acquaint them with what is going on and to discuss and consult with them on related matters. To achieve better results in soliciting and accepting the opinions of various democratic parties and our friends from various circles about the draft resolution on the guiding principle for building spiritual civilization, we have convened this forum more than 20 days before the opening of the party Central Committee's plenary session. Also, we have asked a number of young and middle-aged comrades to attend this forum. Old comrades have broad and profound knowledge and rich experience. young and middle-aged comrades are noted for their vigorous thinking and boldness in exploring new ways. Many comrades have engaged in educational, scientific, and cultural work for a long time. They will surely have brilliant opinions on promoting the work of building a spiritual civilization. He asked the comrades to air their views fully on the draft resolution and discuss ways to make a success of the great socialist spiritual civilization program in the spirit of saying everything they know and speaking out without reserve.

He said that the forum is aimed mainly at giving scope to the wisdom of the collective and listening to the opinions of all comrades so as to make the document still better. For this reason, he said, the forum is scheduled to last 6 days.

At group discussions, the comrades enthusiastically vied to speak. Many comrades wrote their suggestions on the printed documents distributed to them or wrote outlines of speeches on the basis of their opinions. To fully express their opinions, some comrades made more than one speech.

Among those attending the form were responsible persons from the NPC Standing Committee, the CPPCC National Committee, various democratic parties, the All-China Federation of Industry and Commerce, and the people's organizations concerned as well as democratic personages with no party affiliation and those from minority nationalities and from religious circles, including Ngapoi Ngawang Jigme, Burhan Shahidi, Qu Wu, Zhu Xuefan, Pei Changhui, Qian Changzhao, Zheng Dongguo, Jia Yibin, Hou Jingru, Sun Yueqi, Peng Qingyuan, Peng Dixian, Li Wenyi, Fei Xiaotong, Wen Jiasi, Gao Tian, Ye Duiyi, Tan Jiazhen, Tao Dayong, Hu Ziang, Xu Dixin, Sun Qimeng, Sun Xiaocun, Pu Jiexiu, Tang Yuanbing, Wan Guoquan, Huang Daneng, Zhao Puchu, Lei Jieqiong, Chen Shunli, Ge Zhicheng, Zhou Gucheng, Shen Qizhen, Lu Jiacy, Fang Rongxin, Huang Dingchen, Wu Juetian, Wu Chan, Xu Zhimeng, Lu Rongshu, Pan Shu, Mao Yisheng, Jin Shanbao, Sun Chengpei, Hao Yichun, Su Ziheng, Li Chunqing, Tian Fuda, Rong Yiren, Luo Shuzhang, Gu Kengyu, Liu Nianzhi, Jiang Peilu, Xiong Yingdong, Zhang Jingli, Wang Guangying, Huang Liangchen, Sun Fuling, Miao Yuntai, Cheng Siyuan, Liang Shuming, Li Tiezheng, Zhao Zongyao, Wang Genzhong, Zhang Qia, Cheng Yuan, Liao Qiuzhong, Li Chunxuan, Li Yiping, Tang Honglie, Ren Shiqi, Bai Shouyi, Zhaxi Wangqun, Zheng Guo, Jing Hui, Li Yuhang, Zong Huaide, Fu Tieshan, Liu Bonian, Ding Guangxu, Yin Jizeng, and Chen Zhonghao. Comrade Hu Juewen submitted a written opinion on the revision of the draft resolution.

Wen Jiabao, director of the General Office, and Yan Mingfu, head of the United Front Work Department of the CPC Central Committee, also attended the forum.

GUANGMING RIBAO URGES DECENTRALIZING POWER

HK230233 Hong Kong ZHONGGUO XINWEN SHE in Chinese 0926 GMT 22 Sep 86

[Text] Beijing 22 Sep (ZHONGGUO XINWEN SHE) — GUANGMING RIBAO today carries a signed article by Feng Shujun, who believes the basic pattern of China's existing political structure is characterized by overcentralization of power, which is precisely the deep-rooted source of various malpractices in the existing political structure; and the elimination of which is the basic task for political structural reform.

The article points out that the overcentralization of power has something to do with the longstanding tradition of feudal autocracy. It is also caused by the highly centralized power of individual leaders in the course of the Chinese revolution. Specific economic and political conditions have intensified the overcentralized political structure since the founding of New China.

According to the article, overcentralized power has led to the following malpractices:

1. Overstaffed organs, resulting in dispute over trifles, a dilatory style of work, and universal low efficiency;

2. The rise of bureaucratism, resulting in confused orders;
3. The inseparableness of party from government has resulted in the weakening of government functions and restriction of government organs in making comprehensive strategic decisions as well as conducting and exercising them; at the same time, party organizations are bogged down in routine, which has actually reduced the party leadership;
4. It is the basis for the existence of a special privilege mentality and the hierarchichal concept as well as the seedbed for various unhealthy tendencies. The more power is overcentralized, the more serious are the special privilege mentality and hierarchical concepts, and the more fashionable is the concept that officials are highly thought of, which the people held in low esteem;
5. The arbitration of the individual, which is the biggest hindrance in realizing political democracy.

The article says that, therefore, decentralizing power is the key task for political structural reform; only then will it be possible to fully develop the masses' initiative, to fight bureaucratism, and to build a socialist political structure with a high level of democracy, the legal system, and efficiency.

The article also points out that the key to solving the overcentralization of power is to implement a rational division of labor between party and government, separate government from enterprises. At the same time, it is necessary to reform the cadre appointment system and implement the system of appointment by means of examination and invitation. It is also imperative to eliminate the effects of feudal autocracy.

ACADEMICIANS HOLD FORUM ON POLITICAL REFORM

OW181126 Beijing Domestic Service in Madarin 2315 GMT 15 Sep 86

[From the "Study Program"]

[Excerpts] The Institute of Marxism-Leninism of the Chinese Academy of Social Sciences has held a forum on theories of political restructuring. The forum pointed out that the preconditions for a reform of the political system are to open politics to the public and to arouse people's enthusiasm to participate in politics. Participants in the forum noted that the tasks of political restructuring were set forth by Comrade Deng Xiaoping in his August 1980 speech "On the Reform of the System of Party and State Leadership." [passage omitted]

All the participants pointed out: Reform of the political system is, to a certain extent, more arduous and more sophisticated compared with the reform of the economic structure. Therefore, great efforts should be made in theoretical and practical preparations. The following things should be done in terms of theoretical study: 1) We should study and compare the development of the political systems of the Soviet Union and East European countries, their experiences, and lessons; 2) we should study and examine the relationship between traditional thoughts and pros and cons of the current political system; 3) we should study the development of Western capitalist political systems and structures, finding out what can be borrowed as examples from Western political civilizations; 4) we should reorganize, analyze, and evaluate the basic Marxist viewpoint on political theories; and 5) we should sort out and study the basic points of view of western bourgeois political scholars on contemporary Marxism.

RENMIN RIBAO ENDORSES MORE WORK, LESS TALK

HK230116 Beijing RENMIN RIBAO in Chinese 16 Sep 86 p 1

[Commentator's article: "Taking One Concrete Action Is Better Than Saying a Hundred Empty Words"]

[Text] On 6 August, this newspaper reported that when dressed as an ordinary person, Yang Tielin, vice mayor of Henan's Zhengzhou City, was forced to pay an extortionate taxi fare and that afterwards, he told the relevant departments to impound the taxi involved in the case. Today, we report on how Xian City leaders went to the streets to conduct investigations and told the comrades of the relevant departments to revoke the licenses of taxi drivers who arbitrarily told their customers to pay much more than exact fare. Recently, the number of similar reports on leading cadres going deep among the masses to do practical things has increased. For example, there have been reports on leading cadres visiting emergency wards at night to find out how medical personnel deal with emergency cases, on leading comrades implementing housing schemes, and on how some leading cadres tried to improve food at colleges. All this is praiseworthy at a time when we are recitifying party style.

All this may appear trivial. However, it is actually something real and practical. For a leading cadre to do one such practical thing is more meaningful than for him to say a hundred empty words. With the current party style rectification in mind, some central leading comrades have stressed the need to say fewer empty words but to do more practical things and have told party committees at various levels to inspect their work, conduct investigations, and do more practical things. Over the past years, our comrades have frequently made the mistake of making too many empty remarks but doing little practical work and devoting most of their efforts to "doing outwardly impressive things." Whenever their superiors made preparations for the fulfillment of a certain task, they could always speedily draft some measures in their offices, make a few telephone calls to collect information about how things were developing, call a few meetings to study the experience of some advanced models, visit various localities and low-level units to issue instructions, send groups to examine things and find out whether they were acceptable, freely issue impractical instructions, create slogans, introduce new terms, and so on. All this can be easily done, but it is useless. The replacement of practical work by empty remarks is symptomatic of a poor party style.

Some people think that leading cadres should handle important business rather than personally deal with minor problems such as the problem of taxis. To be sure, there is nothing wrong with handling important business. However, holding meetings, issuing and circulating documents, listening to reports, and preparing summaries are what these people often refer to as "important business."

Although these leading cadres always have something to say, they do not have a single idea in their heads. All the fuss is over as soon as their speeches come to an end. Both history and what actually happens everyday tell us that empty talk can ruin a country. We had better say fewer empty words and do more practical things.

This means that we must work in a down-to-earth manner and really have a revolutionary spirit of serving the people.

LIAOWANG ARTICLE CRITICIZES OFFICE INEFFICIENCY

OW230011 Beijing XINHUA Domestic Service in Chinese 1450 GMT 22 Sep 86

[Text] Beijing, 22 Sep (XINHUA) -- Issue No 38 of LIAOWANG weekly, published today, carried a commentator's article, which is entitled "On 'Wrangles'." The full text of the article reads as follows:

Office inefficiency, a universal, long-standing complaint, has not basically improved, and therefore has been called an "inveterate disease." Due to this "disease," time has been wasted and opportunities allowed to slip away; what could have been done has vanished like soap bubbles, while what should have been stopped has continued to spread unchecked, causing immeasurable losses to the country and the people. Didn't we stress the need to reform government organizations? One of the aims of the reform is to improve office efficiency. Now is the time to wake up and make determined efforts to raise efficiency.

Inefficiency has been caused by many factors, including people shirking responsibility and failing to make timely decisions, thus creating chaos in the office, absence of clear job descriptions for each person and post, resulting in a situation in which everybody shifts responsibility to others, and nobody makes a decision; excessive administrative levels, which pass documents around without solving problems; people who perform official duties, practicing favoritism and seeking personal connections; and so on and so forth. However, people's complaints are most directed at "wrangles." Endless wrangles have created chaos, torn things apart, disrupted relations, worn people out, let opportunities slip, and caused damage. It is indeed a horrible "disease."

Manifestations of "wrangles" can be generalized as follows:

-- Failing to promote "horizontal ties." Some offices and departments make arbitrary decisions, issue documents, or map out regulations on matters obviously involving several other departments. Unwilling to reconcile, the latter assume a tit-for-tat attitude. As a result, something approved by one department cannot get through other departments, making those at lower levels suffer untold hardships shuttling between departments and trying to accommodate themselves to contradictions at upper levels.

-- Despite availability of objective conditions for solving a problem, it remains unsolved for a long time because of objections by a handful of people. Even if the majority of departments agree on a matter, it cannot be implemented because of unreasonable objections from a certain department or leader. Consequently, the problem perpetuates. In this way, the so-called right of veto is exercised.

-- After a formal and correct decision is made, some refuse to carry it out under all kinds of pretexts, simply because the decision involves the interests of a certain department, unit, or locality. Arguing back and forth in so-called special circumstances, they impede the smooth implementation of the decision.

-- Since people want to have a hand in profitable things, they confront and vie with one another for a bigger share of profits. They mess up a perfectly good undertaking, either by dividing the profits before they materialize, or by not yielding even an inch in vying for profit or power.

-- There are people who indulge themselves in what they will not allow others to do, and create difficulties for others if they try.

Allowing only themselves access to profits, they tear things apart if others also try to obtain profits, thus ignoring the overall interests and placing personal benefits above all.

Manifestations of wrangling are far from only those listed above. For example, people often have doubts about, and obstruct, a certain undertaking, not because of a clear opposing view in mind, but of odd ideas the reluctance to conduct fact-finding investigation. They procrastinate at things which can be easily accomplished; and trouble people at lower levels to make repeated requests. Arguing back and forth, the problem remains unsolved. There are countless similar instances.

"Wrangling" is a phenomenon caused by the hunger for power and interests and, of course, by an unreasonable organizational setup.

"Leadership means service." Leading organs at various levels should serve, not be served by grass roots. Instances of wrangling will be considerably reduced if leading organs are eager to meet the needs at grass roots. Equally important is a sober assessment of interests, differentiating between the overall interests and personal benefits. Important matters concerning the overall situation should be placed above all. If interests of a unit, department, or locality are contradictory to the overall interests, they should give way to the latter. In this way, wrangling will also diminish. Moreover, all offices should clearly define duties incumbent on each person or post. It is necessary to eliminate red tape and simplify procedures in order to make things more convenient at grass roots.

"Wrangling" is not an incurable disease. It requires our determined efforts.

In view of China's ongoing reform and policies of opening to the outside world and invigorating the domestic economy, it is necessary to improve office efficiency. Along with the development of commodity economy, there will be more competition and opportunities. Whoever is efficient and quick in grasping an opportunity will win the competition. The harm of wrangling lies mainly in letting an opportunity slip and causing grave waste and loss, which constitute a crime against the people. Doesn't time mean money? Money means economic efficiency and social benefit. We cannot afford the time wasted in wrangling.

We have already mapped out the magnificent fighting goals before the end of this century and to the middle of next century. To accomplish these goals, we have to do a tremendously arduous job. As time marches on, we must let no opportunity pass. It would be very distressing to see other people taking another giant step forward while we are still wrangling.

We must not wrangle now, but improve efficiency.

TA KUNG PAO VIEWS REVIVAL OF HUMANISM

HK180151 Hong Kong TA KUNG PAO in English 18 Sep 86 p 2

["The Past Week" column]

[Text] Literature Turns to Humanism

Sceptics may still call it obsolete or just so much tall talk that does not solve any pressing problem in mundane life, a tiny room to live in, for instance. [paragraph continues]

Nonetheless, the theme of humanism was brought home with a vengeance at a forum in Beijing gathered to review the achievements of literature in the ten years of the post-Mao period.

Until two or three months ago, most Chinese had never heard of Liu Zaifu, the man who heads the research institute of literature under the Chinese Academy of Social Sciences. This is to say not until his theories were challenged by a highly-placed party official writing in the theoretical journal RED FLAG.

Early reports from Beijing revealed that the subsequent eye-catching controversy had centred on Liu's theory of basing literary works on human values and his contempt for political meddling in creative endeavours. A theory he developed is humourously phrased: "Let each god return to his own niche," by which he means that literature should only be judged by its own discipline, and not by political or ideological yardsticks.

In a long speech at the recent forum, Liu made no apologies when he declared:

The development of literature in the new era was marked by the continuous transcendence of socialist humanism over class struggle. With the excellence of their output, our writers have made important contributions to ending the errors committed by following "class struggle as the key link," and this has given a great lift to the dignity of man.

The most moving aspect of literary output in the new era was the call issued with unprecedented warm feelings for human nature, human feelings, and humanism....

It can be readily appreciated that the successful restoration of humanism had not been easy if only for the political risks. Just such titles as "Alas Humanity" or "On Becoming Middle-Aged" would have been enough to put an innocent writer in serious trouble during the leftist 50's and 60's, not to say during the ultra-leftist Cultural Revolution.

Against his backdrop, a remarkable feature about the call of humanity in present-day Chinese literature is certainly the spontaneity of the impressive output. Known as "wounded literature," early works of the period naturally focused on political reflections on the traumatic Cultural Revolution. Penned by a generation of hitherto unknown and mostly untrained writers, it is true that these rough-hewn writings often lacked the desired professionalism. Some, indeed, could not even be accepted as "short stories" in the true sense of the term. But the moving accounts which "erupted with the force of a volcano" represented a "massive protest from the heart against the inflictions of the Cultural Revolution."

National Repentance

According to Liu, more recently, the political reflections have turned to cultural ones, with much deeper probings into the country's traditional culture. This is bound to have an effect on serious Chinese writers because no matter how moving a work of "wounded literature" is, its author cannot long remain with impunity either as a "judge" or a "victim" without feeling a sense of guilt on his own part for not sharing in the responsibility to mitigate the sufferings. This realization of responsibilities will inspire Chinese writers "to join with the rest of the nation in a profound sense of repentance", which Liu believes will be marked trend of the reflective literature in the new period.

Such self-examination and repentance, however, is not to be construed as passive self-denigration. On the contrary, the approach is an extremely positive one that demands a return of the heavy price paid for the bitter lesson. "It gives us a clear idea of exactly where we are going. The road of self-examination is the road of self respect and one that calls for depending on oneself to become strong."

Actually, the idea of "joining with the rest of the nation in repentance" and self examination are traditional weaknesses of men of letters in Chinese history. Noted scholars have long discovered that while Chinese literature thrived on happy thoughts, it was seldom marked by a sense of guilt. The late Lu Xun even pointed to the virtual absence of tragedies in Chinese literature, noting that even sad plots were often crowned with a happy ending as a means of 'spiritual escape'.

Real Man

The current awakening to the call of humanism has yielded at least two very remarkable results. One is the portrayal of real man instead of lifeless perfect man or superman. The rejection of cults and super-natural powers has given authors much greater freedom in their effort to portray the individual traits of "ordinary heroes". Two, the treatment of man as individual and respect for the value of his idiosyncrasies. This is to say that while man is accepted as a rational, social creature, he must also be understood as an individual. In an extension of this understanding, Liu declared that the proposition: "If I am not emancipated, then it would be impossible for society to be truly emancipated" is as valid as the proposition: "I cannot be emancipated unless society is emancipated."

These are strong and daring words for a country steeped in a tradition of using art and literature as a tool of class struggle or whatever political mainstream. But as far as Liu is concerned, although the "political orbiting" of creative endeavours was a necessity in times of revolutionary wars, the time is long overdue for literature to shift to "respect for man's individuality, man's worth as individuals, and his spiritual pursuits".

As Liu pointed out, the themes of literary works in the 50's and 60's were regrettably dominated by revolutionary heroism or those reflecting pre-1949 revolutionary struggles while works devoted to socialist themes were virtually confined to the collectivized and rationalized man. The few works that affirmed the supreme concept of man as an individual were invariably attacked.

And aware of the tenacious class struggle concept, Liu is prepared to see its confrontation with humanism in the field of literature continue into the next century.

GUANGMING RIBAO ON DOUBLE HUNDRED POLICY

HK190359 Beijing GUANGMING RIBAO in Chinese 11 Sep 86 p 3

[Article by He Huoren: "It Is Gratifying To See a Hundred Schools of Thought Contend in the Literature Field"]

[Text] Comrade Liu Zaifu's academic exploration on the subjective nature of literature has roused strong repercussions both at home and abroad.

First, Shanghai's WEN HUI BAO and Beijing's WENXUE PINGLUN [LITERARY CRITIQUE] presented lively academic contention on the issue. Later, Comrade Chen Yong and others aired different views on Comrade Liu Zaifu's academic concept. At present, more and more comrades have begun to participate in the current debate. This is a most pleasing event. It has vividly demonstrated that under a relaxed and harmonious cultural atmosphere, our theoretical research has gone in-depth, and a thickening academic atmosphere has been created. The contention of a hundred schools of thought in the theory of literature and art is inseparable from the bloom of a hundred flowers in the creation of literature and art. The two respects have a cause-effect relation, promoting each other. For some time past, people had sighed for the theory of literary and art critique lagging behind the creation of literature and art; now, the situation is beginning to change. The breakthrough and development of literary and art theory has provided a solid foundation and realistic possibility for the change in literary and art critique. We are happy to see that China's undertaking of socialist literature is fluttering its two powerful wings full of vitality, flying vigorously towards a golden age!

The development of contemporary Chinese literature has gone through an arduous and tortuous course. Because of the intervention of the ultra-leftist errors, and the sabotage of Lin Biao and the Gang of Four, the literature and art circles often met with great disasters, and became the most inflicted area of all. The phenomena of leaning to one side and rushing headlong into action as well as the mind-frame characteristic of one-sidedness, absoluteness, extremity, and extreme conceitedness existed for a long time in the academic and theoretical circles. Therefore, the concept of "academic contention" itself should undergo changes. We should stop professing love of what we really fear, and suffer again from "metaphysics." People have learned from historical experiences and lessons that no academic "justice court" should exist in the world, and there should never be academic "judges" and "monopolists." Administrative orders and political adjudication are never helpful, but very harmful to the development of academic theory. There should be no forbidden areas in an academic study; democracy is needed, and everyone is equal in an academic discussion. To my mind, academic and theoretical workers should honor science and truth, be modest and prudent as well as solemn and earnest. They should be good at studying, diligent in thinking, and bold at exploring. In academic contention, their views should be forceful and clear-cut; but in their attitude, they should treat others as equals. Their criticism should be in the manner of a gentle wind and a mild rain, truth-seeking, aiming to help others, refraining from distorting the original meaning, and making slight of the exploration of one's opponent, moreover, without peddling some personal grudge or being swayed by personal feelings. With only such academic contention, will it be possible to create an academic atmosphere in which there are relaxation, harmony, mutual trust, and liveliness, which is favorable to the development of science and the exploration of truth.

In my opinion, the current debate is one at a deeper layer of the theory of literature and art, which involves a number of important academic issues of a basic nature. For example, whether we should regard man as the focus of thinking in the creation and study of literature, how to understand the law governing literature and the demonstration of humanism in literature, and how to adhere to and develop Marxist literature and art science, and to make the creation of socialist literature and art proper. We should say that the current debate is only a prelude, and is developing. If the debate is to develop healthily and in an in-depth way, a series of important breakthroughs is certain. Thus, it will change the situation in China's literature and art circles, which have long been weak in their sense of theory, and theoretical thinking, and greatly upgrade the theoretical quality of the writers and artists.

At present, the ever-rising tide of reform in China is washing away all outmoded concepts which have shackled people's minds and spirit. [paragraph continues]

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The linking of Marxist universal truth with the great practice of China's reform and four modernization will bring us still greater vitality and vigor. Under such circumstances, the theoretical debate centering on the subjective nature of literature will inevitably develop in depth, and will yield rich fruit of academic exploration.

(The above is the author's preface to the book entitled "The Current Debate on the Subjective Nature of Literature," with the title added by the editor. The book will be published by Fuzhou Haixia Publishing House)

INDUSTRIAL, COMMERCIAL BANK REPORTS MORE SAVINGS

OW230458 Beijing XINHUA in English 0231 GMT 23 Sep 86

[Text] Beijing, September 23 (XINHUA) -- Diversification efforts by China's Industrial and Commercial Bank have resulted in increased savings deposits by customers, an official from the bank's Savings Department told XINHUA.

The Industrial and Commercial Bank of China, a state-run bank, specializes in urban credit and savings, with branch banks and new savings centers all over the country. Between January and June of this year, 839 new savings centers under the bank were opened, with the number expected to exceed 1,000 by the end of the year. These centers, which deal exclusively with savings transactions, have expanded the bank's previous service of only offering passbook savings accounts and time deposits.

Now, at the new centers, bank customers who regularly deposit part of their wages each month can take advantage of a new direct-deposit service in 14 provinces and municipalities, which will soon extend to eight other provinces, the official said. Minimum deposit interesting-earning checking accounts were introduced by 11 centers on a trial basis this year.

The Industrial and Commercial Bank has also made progress in computerizing savings account records, the official said. Installation of IBM-4381 computers is under way in seven cities, with micro-computers being introduced in 250 savings centers in provincial capitals and coastal cities. A city-wide deposit and withdrawal system was opened last year on a trial basis, and has been extended to 25 branches. Now 17 savings centers in Beijing, Shanghai and Guangzhou are using computers to provide inter-city savings transactions.

The new savings center also introduced a work-responsibility system this year which awards bonuses to personnel according to work performance. The total liability for savings deposits of the Industrial and Commercial Bank of China reached 112.5 billion yuan (30.4 billion U.S. dollars) at the end of August, an increase of 23 billion yuan (6.2 billion U.S. dollars) over the end of last year, a bank official said today.

FUJIAN'S CHEN GUANGYI ADDRESSES REFORM FORUM

OW230544 Fuzhou FUJIAN RIBAO in Chinese 12 Sep 86 pp 1, 4

[Excerpts] The Fujian Provincial CPC Committee and provincial people's government held a forum in Xiamen on reforms being carried out in the south Fujian delta and the opening of the delta area to the outside world. The forum ended today. In his concluding report Comrade Chen Guangyi stressed that it is necessary to adopt new ideas, have a clearer understanding of the importance of opening to the outside world, and be good at implementing special policies in order to accelerate the pace of opening the delta and other areas of the province to the outside world, as well as the pace of reform throughout the province.

Leading comrades of the provincial party committee, the provincial Advisory Commission, and the provincial people's government attended the forum, including Chen Guangyi, Hu Hong, Wang Yishi, and Chen Binfan. [passage omitted]

The forum opened on 7 September. [passage omitted] Those present conscientiously studied the important instructions given by Comrade Deng Xiaoping on the question of opening to the outside world, while inspecting an economic and technological development area in Tianjin. They particularly discussed how to implement the central authorities' instructions in Fujian's work. [passage omitted]

Comrade Chen Guangyi said: Some of our comrades still view things that have changed according to old ideas and viewpoints, thus affecting the pace of opening to the outside world and reform. Many things may cause one to fail to keep abreast of the reform and adopt new ideas, but to a considerable extent one's failure to do so is due to having been influenced by feudalistic ideas. In the course of reform we have discovered ideas of being worldly-wise, playing it safe, and making no progress; concepts of small-scale production characterized by self-sufficiency; manifestations of bureaucratism, marked by irresponsibility; and criticisms and attacks against comrades who are determined to carry out reforms. All this has something to do with the pernicious feudalistic influence. Therefore, we must continue to eliminate the feudalistic influence while resisting decadent capitalist ideas. [passage omitted]

Comrade Chen Guangyi called on the three cities of Xiamen, Zhangzhou, and Quanzhou to seek new ways to open themselves to the outside world in the spirit of reform, to accelerate the pace of reform, and to move ahead of other areas of the province in undertaking the four modernizations. [passage omitted]

Comrade Chen Guangyi said: Comrade Hu Yaobang hopes that Fujian will march ahead of other places in undertaking the four modernizations. This is a very arduous task, and the whole province should make concerted efforts to carry it out. [passage omitted]

JIANGXIS WAN SHAOFEN ON CORRECTING PARTY STYLE

OW201450 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 16 Sep 86

[Text] An enlarged meeting of the Jiangxi provincial party committee Standing Committee was held in Nanchang from 2 to 6 September.

Items on the agenda were: 1) Relaying and discussing the central authorities' decisions and instructions on related issues [you guan wen ti], achieving unity in thinking, deepening understanding, and studying ways to further improve party style; and 2) studying and making plans for work in the next 4 months. This meeting fulfilled its tasks and achieved the expected goals thanks to the party Central Committee's concern, the Central Discipline Inspection Commission's direct guidance, and the common efforts of the participating comrades.

Qiang Xiaochu, secretary of the Central Discipline Inspection Commission, attended the meeting to relay the central authorities' decision on related issues, and delivered an important speech. Liu Liying, member of the Standing Committee of the Central Discipline Inspection Commission and responsible person of the Jiangxi-bound Investigation Group for Correcting Party Style [duan zheng dang feng fu gan jian cha zu] under the commission, and (Zeng Keyou), deputy head of the investigation group, attended the meeting.

Comrade Liu Liying reported on the investigation to the participating comrades. Wan Shaofen, secretary of the provincial party committee, made known the attitude [biao le tai] of the provincial party committee Standing Committee, and delivered a speech. She also relayed the central leading comrades' recent important instructions toward the work in Jiangxi. A summation was made toward the end of the meeting. Liu Fangren and Xu Qin, deputy secretaries of the provincial party committee, as well as Jiang Zhuping, member of the provincial party committee Standing Committee and vice governor, respectively spoke on the work of further improving party style and promoting the development of spiritual civilization, rural work, and economic work. Attending the meeting were party member-responsible comrades of the provincial party committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission standing committee, the provincial People's Congress Standing Committee, the provincial government, and the provincial CPPCC Committee; major leading comrades of the provincial Military District and the Nanchang Army College; secretaries of party committees, commissioners and mayors of all prefectures and cities; party member-responsible comrades of all departments, commissions, offices, bureaus at the provincial level, colleges, plants and mines; as well as members of the CPC Central Committee, the central Advisory Commission, and the Central discipline Inspection Commission now in Jiangxi, totaling 191 persons. Veteran comrades at and above the level of vice governor were also invited to the meeting.

This meeting's guiding thought was the guidelines presented by Comrade Hu Yaobang in his speech on improving party style and correctly handling the two inner-party contradictions at a discussion meeting on correcting party style in April this year. The meeting demonstrated a serious and earnest approach, a high sense of responsibility, and a realistic and democratic attitude characterized by solidarity.

The participating comrades unanimously and completely supported the central authorities' decisions on the related issues, and the central leading comrades' important instructions on the work in Jiangxi; entirely agreed to the important speeches of Comrades Qiang Xiaochu and Wan Shaofen; and completely believed in what Comrade Liu Liying said in her report on the investigation in the related issues. They also endorsed the reports by Comrades Liu Fangren, Xu Qin, and Jiang Zhuping at the meeting.

They warmly praised the Central Discipline Inspection Commission's investigation group for its high sense of responsibility, selflessness, dauntlessness, hard work, profound investigation, and reliance on the masses, which had brought great success to its work.

The participating comrades were deeply convinced that by holding this meeting and relaying and implementing its guidelines, we will certainly promote a sound political and economic development in our province.

In the first stage of the meeting, through discussion of the central authorities' decisions on the related issues and of state of affairs reported by the Central Discipline Inspection Commission investigation group, the participating comrades expressed tremendous indignation over those acts that seriously violate laws and discipline, and corrupt party style. They considered it a major issue of right and wrong. One way to safeguard party spirit, and struggle against violators of laws and discipline is to expose, investigate, and deal with this serious problem. This is a struggle between justice and evil. The seriousness of this issue and the harm it has caused should be thoroughly understood in light of the actual situation. Its deceptive nature should be exposed, and its bad influence eliminated. We should draw lessons from this.

Summing up the lessons in this connection, the participating comrades maintained:

1. It is necessary to make proper use of power. Party cadres at all levels, party member-leading cadres in particular, hold certain powers in their hands. A fundamental difference between the proletarian and the bourgeois points of view about the world is whether these powers are used to serve public interests and the people, or to seek private gains. Some people abuse the power of the party and the people to satisfy their personal desires. They disregard and seriously violate party discipline and state laws. They concentrate their attention and efforts not on their work, but on evil practices. They are concerned only about their personal interests, disregarding the broad masses of people. They keep moving down the path of evil to a point where they can no longer free themselves. We must draw lessons from this serious matter and highly treasure and make good use of the powers entrusted by the party and the people. Everything we do should benefit the people. We should never seek private interest for individuals for small groups. We should consciously transform our world outlook; increase our ability to resist the erosion of decadent feudalistic and capitalistic ideas; eliminate the extremely serious individualistic idea that any power left unused will be forfeited, and that if you do not benefit from your power now, you will never benefit from it anymore; and maintain the noble quality of a Communist Party member wholeheartedly serving the people. Party organizations at all levels should strive for self-improvement. Each party member -- leading cadres in particular -- should set strict demands on himself, cultivate a healthy party spirit, work selflessly in the interest of the public at all times and in all places, and observe discipline and laws.

2. It is necessary to appoint the right people. In other words, the right people should be strictly selected and appointed according to the party's requirements of selecting cadres.

In evaluating and appointing cadres, we should observe relevant regulations of the central authorities, uphold the four requirements for cadres, the standards of ability and political integrity, as well as the principle of appointing people on their merits, pay attention to taking the mass line, and earnestly conduct evaluations. Political quality and revolutionization should be given top priority. In recommending talented personnel and selecting cadres, we must remain highly responsible, just, upright, open and aboveboard, and realistic. Our actions should not be based on personal feelings of gratitude or resentment, likes or dislikes, or having a close or distant relationship. We should not practice factionalism.

This is an important indication of party spirit. Meanwhile, it is necessary to improve the system of regularly evaluating cadres so as to acquire an historical and comprehensive understanding of their political integrity, ability, conduct, and discipline; stress practical work; establish and perfect the system for evaluating, rewarding, punishing and dismissing leading cadres at all levels, so as to clearly distinguish between right and wrong, and merits and demerits. We should take effective measures to prevent people from assuming leading posts who have undesirable political qualities, harbor evil intentions, engage in malpractices, pursue fame and benefits, practice speculation, and curry favor with somebody in authority for personal gain. Additionally we should take organizational measures and formulate regulations to guarantee that the many good cadres who meet the four requirements for cadres will let their talents shine through.

3. It is necessary to uphold democratic centralism and tighten party organizations' management and supervision of party members. This is an important guarantee for making proper use of powers, and appointing the right people. Some people disregard party discipline, and attempt to do away with party leadership and supervision. They do not ask for instructions or report to higher-ups when handling important issues. They give top priority to their personal opinions. What they say constitutes policy. They regard subordinate departments as their private property, making irresponsible promises, promoting one person today and dismissing another person tomorrow, cultivating trusted followers and eliminating dissidents, thus seriously undermining the party's principle on democratic centralism and cadre policy. These acts are prohibited by party discipline. Important issues should be decided through discussions by the party committee and administrative group. Daily work should be done through shared responsibilities and division of labor. Each member of the party committee should actively work under the collective leadership of the party committee, resolutely implement the party committee's decisions, and consciously place himself under the supervision of the party organization and the masses. No matter how high his position is, he is an ordinary member within the party. It is absolutely impermissible to have privileged party members not subjected to restrictions of party discipline and state laws. The principle of equality for all before truth and before party discipline and state laws should be upheld. Party organizations should constantly show concern for and understand the ideological state of party members and cadres, and try to prevent all unhealthy manifestations, and regularly carry out criticism and self-criticism. Violations of discipline and laws should be immediately investigated and dealt with as soon as they are reported regardless of whom is involved. Leading cadres should heed the opinions reflected by the masses in their visits and petitions, regularly attend party activities, and listen to criticisms of party members and the masses.

4. It is necessary to strengthen unity. All party member-cadres, leading cadres in particular, should uphold party unity. Some people violate party principles, spread rumors, tell lies, build false images, attack others to build themselves up, sow dissension among the people, and deliberately create contradictions to confuse the cadres. We should resolutely struggle against this act of undermining party unity; cultivate solidified leading bodies; promote unity between party and government organs, between the military, the government and the people, between old and new cadres, between lower and upper organs, and between cadres and the masses; follow the leadership of the party Central Committee; work with one heart and one mind; wage hard struggle; and devote all our efforts to the great cause of revitalizing Jiangxi and serving the people.

The second stage of the meeting studied and made plans for the work in the next 4 months of this year.

At the conclusion of the meeting, Comrade Wan Shaofen gave a summing-up report, making plans for relaying and discussing the central authorities' decisions on the related issues, further improving party style, studying and implementing the central leading comrades' recent important instruction on the work in Jiangxi, as well as work in the next few months.

Comrade Wan Shaofen said that the major requirements for the work in the next 4 months are: Make earnest efforts, bolster our confidence, correct party style, promote unity, work harder, and seek concrete solutions to problems so as to ensure the fulfillment of this year's tasks, and make good preparations for the next year's work.

1. In economic work, we should earnestly implement the guidelines of the State Council's meeting on party rectification; earnestly attend to industrial production; give priority to increasing economic benefits improving product quality; realize a double-digit industrial growth rate; ensure simultaneous development of the three aspects; and strive to fulfill or overfulfill the annual production plan. In agricultural production, we should stress the importance of fighting drought and reaping a bumper harvest, and do our best to increase the peasants' income. We should increase the output of the late rice and cash crops; open up more possibilities for production; vigorously develop village and town enterprises, and a diversified economy; and make sure that there is no decrease in grain and cash crop output, total agricultural output value, and peasants' income. The next few months will be a busy season of purchases and sales in rural markets; it is imperative that we ensure that the circulation of goods is not obstructed, do a good job of marketing and purchasing, and keep the market active. We should expand exports to earn foreign exchange, and do our best to overfulfill the plan for procuring export commodities.

2. Continuous efforts should be made to bring about visible changes in the development in the old revolutionary base areas this year, increase this year's per capita income in the unusually poor townships in these areas by 20 percent over last year, see to it that one-third of the unusually poor households will have a per capita income of more than 200 yuan, and seek fundamental solutions to the problems of those who are most impoverished in the old revolutionary base areas, that is those who still do not have enough food to eat, clothes to wear in winter, and shelter to protect them from the rains and wind. Selected projects in this connection should be started as soon as possible.

3. Further correct party style and rectify unhealthy trends.

4. Earnestly study and publicize the resolution on the guiding principles for the development of spiritual civilization which will be adopted at the upcoming 6th Plenary Session of the 12th CPC Central Committee. Earnestly study Comrade Deng Xiaoping's important speech on reforming the party and state leadership system.

Comrade Wan Shaofen stressed that party committees at all levels should further strengthen leadership over the work in all fields, make careful studies and plans, and successfully conduct investigation and exercise supervision.

Comrade Wan Shaofen said, the party Central Committee is very concerned about the work in Jiangxi. In recent years, many leading comrades of the central authorities have repeatedly come to Jiangxi to make inspections and give important instructions. Recently the central leading comrades again made important directives on the work in Jiangxi, fully affirming the work in the past year and more. This is the result of the efforts of the party organizations at all levels, and the large number of cadres and masses.

The central leading comrades have encouraged comrades in Jiangxi to redouble their efforts to make fresh contributions. We should highly value the central leading comrades' concern for Jiangxi, live up to the trust and expectation of the large numbers of party members, cadres and people in the province. In accordance with the central authorities' instructions, we should work in unity; struggle with an indomitable spirit; continue to adhere to the guiding thought and principle of achieving a growth rate slightly higher than the national average, and of doing two things more boldly; and continue to score new achievements.

Comrade Wan Shaofen urged party organizations at all levels to earnestly relay, discuss, and implement the guidelines of the meeting of the provincial party committee, further correct party style, promote unity, and make progress in reform in all areas and economic construction in our province.

RENMIN RIBAO ON SHANGHAI CULTURAL CIRCLES

HK171533 Beijing RENMIN RIBAO in Chinese 14 Sep 86 p 1

[Report by reporter Zhang Shibong: "New Trend of Unity, Coordination, and Boldness in Exploration Emerge in Shanghai Cultural Circles, Thus Creating Favorable Conditions for Building Socialist Spiritual Civilization"]

[Text] Since the strategy symposium held by Shanghai cultural circles in May this year, which attracted nation-wide attention, a new trend of unity, coordination, and boldness in exploration has emerged in Shanghai cultural circles, thus creating favorable conditions for building socialist cultural civilization.

Now, Shanghai cultural circles are full of vigor. A batch of young writers has entered the literary arena and published many explorative literary works and literary commentaries. Man's position in literary creation and how writers should develop their inner creativity have become the main topics for exploration at present. The film circle is now exploring with a new point of view how to improve film quality and the standard of film commentaries. People have voiced severe criticism on dull films and film commentaries and are carrying out further explorations on the various schools of film. The discussion on the creative ideology and directing art of famous film director Xie Jin will be conducive to developing the film art to a new realm. The film editors of Shanghai Film Company have cast away numerous old concepts and begun to explore new themes. A number of literary works reflecting the current situation in Shanghai have emerged. The "modern drama craze," which had not been seen for many years, reappeared, and some modern dramas with inventiveness and new styles are warmly welcomed by the general public. The modern drama entitled "Looking for Man" written by Sha Yexin of the Shanghai People's Art Theater has been shown 100 times and been seen by 80,000 people. The Shanghai People's Art Theater has also set up an organization called "The Friends of Shanghai People's Art Theater" for the participation of various social strata who want to maintain a close relationship with the theater.

Since the theoretical circle broke through the forbidden zone, academic symposia of all kinds have sprung up like bamboo shoots after a spring rain. The topics for discussion at present include the relationship between inheriting traditional Chinese culture and importing Western culture, the relationship between Marxist theories and non-Marxist theories, the relationship between economic reform and cultural reform, and the question of the development of Marxism itself. [paragraph continues]

Great attention has also been paid to structural reforms in various specialist countries. All these discussions have stressed updating concepts, breaking through the old mode of thinking, proceeding from reality, and making a reassessment of socialism. The various types of academic symposia have been attended by many people of various social strata, including the leading cadres of the party and government. This situation shows that people are very earnest in updating their knowledge.

Research on Shanghai educational development strategy is now underway. This research will not be confined to schools and universities, but will be aimed at carrying out large-scale education in the whole society and lifetime education so that it has become an important part of Shanghai's building of spiritual civilization. Not only people from the educational circle will participate in this research work, but also people with breadth of vision from various social strata of Shanghai. At present, preparations are being made for research on various topics.

Press reform is also being carried out in Shanghai. The contents and make-up of JIEFANG RIBAO and WEN HUI BAO have been continuously improved and increased. While mainly carrying positive news reports the newspapers now also carry some analytical reports on various topics, have increased the number of commentaries and reported on new concepts and viewpoints, which have become an important part of the present newspapers. The new ideas and viewpoints carried in SHIJIE JINGJI DAOBAO have contributed to the paper's having a large number of readers. Now, the various newspapers are gradually forming their own characteristics.

The publications providing new knowledge and new concepts have become best sellers. Shanghai Yiwén Publishing House has been advocating opening up to the world and to the future and has mobilized a group of young scholars to introduce various new foreign ideological trends. "Dangdai Xueshusichao Yicong" ["Collection of Translations of Contemporary Academic and Ideological Trends"] is widely welcomed by the people. As soon as the series of books exploring literature and art and the "Five-starred series" are published by the Shanghai Yiwén Publishing House, they are often immediately sold out.

The lateral economic ties between various provinces and cities have pushed forward with the development of lateral cultural exchanges between various provinces and cities. Shanghai is now holding the biggest book fair since the founding of the PRC. Over 100 publishing houses across the country are participating and more than 30,000 books are exhibited. How will Shanghai culture be opened up to the world? This topic is also currently under heated discussion in Shanghai cultural circles. Now that some old concepts obstructing cultural export have been smashed, Shanghai's Foreign Affairs Department and Foreign Economic Commission greatly support cultural exchanges between China and foreign countries, thus creating conditions for Chinese culture to go to the outside world. Every year, the Shanghai acrobatic troupe performs in foreign countries for commercial purposes, gaining "both fame and wealth." This experience is being summed up and publicized in the whole country.

Shanghai's party and government organs have been enthusiastically supporting the various explorative activities of the cultural circles. The Shanghai Municipal CPC Committee and municipal people's government leaders have been encouraging people to boldly explore and dare to advance forward. The leader of the municipal party committee's Propaganda Department thinks that the work of the party's Propaganda Department should conform to the new situation, cast away the old concepts, and explore new ways in order to realize the socialization and modernization of the party's propaganda work.

RENMIN RIBAO ON REFORM, OPENING UP IN GUANGDONG

HK190920 Beijing RENMIN RIBAO in Chinese 17 Sep 86 p 1

["Report by reporter Liang Zhaoming: "Opening Up and Reform Greatly Promote the Building of Spiritual Civilization in Guangdong" -- capitalized passages published in boldface]

[Excerpts] Reform and opening up have not only brought about an increasingly prosperous situation in the economic construction in Guangdong Province and greatly promoted the building of spiritual civilization, but have also caused great changes in the people's economic life as well as their life style and mentality.

Where are these changes mainly manifested? At the experience-exchange meeting of the civilization-building units in Guangdong Province which was inaugurated yesterday, promoted by the provincial party committee, the deputy secretary of the provincial party committee, Xie Fei, aired some of his views and over 500 representatives from every part of the province also held discussions concerning it.

1. FOLLOWING THE REFORM AND THE IMPLEMENTATION OF THE POLICY OF OPENING UP TO THE OUTSIDE WORLD, PEOPLE HAVE DEEPER LOVE FOR THE PARTY, SOCIALISM, AND THE MOTHERLAND AND ARE FULLY CONFIDENT OF STARTING A NEW LIFE. Over the last few years, because the vast numbers of cadres and masses throughout the province conscientiously carried out the party's policy of reform and opening up to the outside world, the economic development rate of the province was the highest since the founding of the country. During the Sixth 5-Year Plan, the main development targets of the national economy in the whole province all exceeded the average growth rates of the whole country, thus making Guangdong one of the provinces in the country with a higher economic development rate. The achievements of Guangdong's foreign economic activities are particularly outstanding. The province now has over 4,000 enterprises jointly owned and run by China and foreign businessmen or solely owned by foreign businessmen, accounting for 70 percent in the whole country. In the province, various economic patterns are vying with each other in development, the market is brisk and flourishing, and the living standards of the people are being constantly improved. [passage omitted]

2. REFORM AND OPENING UP HAVE BROUGHT ABOUT A SOCIAL ENVIRONMENT FAVORABLE TO RENEWING CONCEPTS. [passage omitted]

3. REFORM AND OPENING UP HAVE CREATED OPPORTUNITIES AS WELL AS PRESSURES FOR THE PEOPLE, URGING MORE AND MORE PEOPLE TO STUDY SCIENCE AND CULTURE AND CONSCIOUSLY IMPROVE THEIR CULTURAL ENLIGHTENMENT. [passage omitted]

4. REFORM AND OPENING UP ARE NOW CHANGING THE PEOPLE'S IDEOLOGICAL CONCEPTS AS WELL AS LIFESTYLE, MAKING THEM ADAPTABLE TO THE PATTERNS OF MODERN PRODUCTION. [passage omitted]

5. REFORM AND OPENING UP HAVE CHANGED PEOPLE'S OUTDATED CONCEPT OF REGARDING THE INTELLECTUAL INVESTMENT AS A KIND OF WELFARE UNDERTAKING. [passage omitted]

The reporter has interviewed the representatives gathering in Guangzhou from all parts of the province. While speaking glowingly of the overall lively and flourishing situation brought about by reform and opening up, they also freely confess that some of the negative corrupt phenomena in the party and society should be further overcome. Compared with the rapidly developing economic construction as well as the requirements of the whole situation of reform and opening up, the building of spiritual civilization has some weak links which should be further improved.

SOCIAL SECURITY, CONTRACT SYSTEMS IN GUANGDONG

HK170739 Beijing RENMIN RIBAO in Chinese 15 Sep 86 p 2

[Report: "Guangdong Practices Social Security System Along With the Contract System"]

[Text] In Guangdong Province, the reform of the labor security system is being carried out along with the reform of the wage system. Labor security, an issue with which all workers employed under the contract system in the whole province are deeply concerned, has been brought onto the road of socialized and specialized management.

All workers face such things as childbirth, old age, illness, and death. In order to help them settle their troubles at home, it is necessary to establish a labor social security system for all workers employed under the contract system. This is a crucial factor concerning whether the labor contract system can be successfully pursued and consolidated or not. Many cities and counties in Guangdong began to establish and improve the social security system for workers employed under the contract system as they began to pursue the labor contract system. The Shenzhen City government laid down a set of interim regulations on labor social security in November 1983. The social security schemes were available to workers employed by joint venture units, state-owned enterprises, administrative institutions, and social service institutions under the labor contract system. The social security fund comes from 25 percent of the total labor cost and 20 percent of the total wages. After Shenzhen adopted the social security system, the department concerned began another pilot scheme in Qingyuan County.

At present, all localities of the province have established a labor social security system. The sources of these social security funds and the methods of raising and managing these funds are different from the funds for permanent workers in the units owned by the people. The social security funds for contracted workers are mainly contributed by their employing units, which put a certain percentage of the output value produced by these workers in the fund and deposit the fund with banks to earn interest and to ensure the growth of the fund. The fund is used to meet the livelihood needs of these workers after their work contracts are renounced and they are looking for a new job, or to pay pensions to retired workers, or to help workers pay for medical treatment, funerals, or other unexpected expenses caused by accidents, so as to relieve the worries of workers employed under the contract system.

So far there are more than 130 labor social insurance companies of all kinds in Guangdong Province. They manage a total of more than 66 million yuan in security funds. Because workers employed under the contract system are still quite young, the income of the security funds exceeds their expenditure, and the funds managed by the insurance companies are increasing, ensuring the healthy operation of these companies.

HENAN RADIO DISCUSSES LABOR SYSTEM REFORMS

HK230311 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 22 Sep 86

[Station commentator's article: "Reforming the Labor System is the Inevitable Demand of Economic Structural Reform"]

[Excerpts] China has launched all-round economic structural reform focused on the cities since the 3d Plenary Session of the 12th CPC Central Committee. Socialist planned commodity economy is developing rapidly. [passage omitted]

Corresponding changes have also taken place in the enterprises' labor requirements. The enterprises require that, while being kept relatively stable, labor can be reasonably mobile and flexible. And the original permanent worker system is too rigid and stifling. It causes waste of labor and also hampers the improvement of labor productivity. It does not help to invigorate the enterprises further. It is evident that the existing labor system has become a shackle on the further development of the productive forces and an obstacle to carrying out economic structural reform in depth. Unless this problem is resolved, economic structural reform will lack an important link, which will affect the progress of the entire economic structural reform.

As everyone knows, in common with other reforms, the reform of China's labor system means replacing an old set up and old concepts with new ones. This reform is bound to collide with existing patterns, traditional concepts, and habitual forces. It is also certain to touch on and readjust the interest relations of all social strata, including all components of the staff and workers. It is therefore bound to cause contradictions in interest relations among people, and in their ideological concepts. However, reforming the existing labor system is the inevitable demand of the entire economic structural reform. It embodies the fundamental interests of the working class. We hope that the staff and workers will actively plunge into this reform and make their own contributions to it in the hope of being masters of the country.

HUNAN MAKES MAO ZEDONG'S HOMETOWN TOURIST SPOT

HK181520 Changsha Hunan Provincial Service in Mandarin 0100 GMT 18 Sep 86

[Excerpt] The provincial party committee and government decided that while opening the Shaoshan Revolutionary Memorial Site to the outside, the province, would, beginning this month, also open (Dishuidong) to the public.

The provincial party committee and government urged the state and collective units within Shanshan district to follow the centralized planning in their construction and land use. Large economic facilities, as well as those for daily use, should be established at places outside Shanshan district. Hawkers are banned at places near the former residence of Comrade Mao Zedong, former site of Revolution and Memorial Hall, so as to maintain a solemn atmosphere and the beautiful surroundings. [passage omitted]

Over a long time in the past, being the hometown of our great leader Comrade Mao Zedong, Shaoshan attracted many tourists from other places in China and abroad. In order to further conform to the needs of opening up, the relevant provincial departments decided to build a series of tourists projects there, including resumption of the construction of (Dishuidong) scenic spot, expansion of the service and accommodation facilities, and keeping Shaoshan Revolutionary Memorial Site clean and tidy. [passage omitted]

BEIJING RIBAO NOTES CITY'S WATER SHORTAGE

OW230450 Beijing XINHUA in English 0217 GMT 23 Sep 86

[Text] Beijing, September 23 (XINHUA) -- Although increased rainfall has helped ease the water shortage, this city's government has called on the nine million residents for sustained efforts to save water, today's "BEIJING DAILY" reports.

The paper said although the greater Beijing area has had more rainy days this summer the total amount of rainfall is just 515 millimeters, 60 millimeters less than the same period last year and below the average of recent years. The rainfall has not solved the acute water shortage in Beijing which was caused by successive droughts in recent years. The problem will exist for a number of years, a report on Beijing's water situation by the city government warned.

The report said the city's suburban areas during the period have benefited from a total rainfall of 600 millimeters, 23 percent more than the city's average. But, the suburban areas, which have water depositing facilities, have less rainfall.

The Miyun and Guanting Reservoirs, the city's two leading water suppliers, can only provide 600 million cubic meters of water this year, being equal to 52 percent of the average supply of recent years. The report predicted that the total amount of water to be supplied by the two reservoirs before the coming May is expected to be 800 million cubic meters, about the same as last year. And no big water accumulation for them will not be expected, the report said. [sentence as received]

Underground water resources are also not optimistic. During the period of June and July, underground water levels have risen with more rainfall. But, the rainfall in August decreased by 38 percent as compared with the same period of last year. So, in most areas, underground water levels have dropped again by from 0.2 to 0.8 meters as compared with the same period of last year. In some areas, the dropping reached one to two meters.

A commentary by the paper said the saving of water is a long-term work that can not be relaxed. According to an earlier news report, the water resources for each Beijing resident only accounts for one sixth of the national average and one 25th of the world standard. Beijing is listed after 100 other capitals and major cities in the world in terms of water scarcity.

Chinese scientists hold that saving water, exploring and protecting new water resources are still the most effective measure for the present and future to fight against water shortage.

GU MU AT BEIJING-HONG KONG HOTEL CONTRACT SIGNING

OW222013 Beijing XINHUA in English 1624 GMT 22 Sep 86

[Text] Beijing, September 22 (XINHUA) -- A contract to build and run the Diaoyutai Hotel was signed between the Beijing Diaoyutai Economic Development Company and the Hong Kong Tian An (Beijing) Investment Company Ltd here today.

According to the contract, the Diaoyutai Hotel will be built to the south of the Diaoyutai State Guesthouse, which is surrounded by a park-like environment and has convenient transportation facilities. The total investment in the hotel will be 42 million U.S. dollars.

The hotel, covering an area of 11,600 square metres, will be built in a Chinese traditional architectural style. It will be a five-star hotel providing first-class facilities and services, including more than 300 luxury rooms, Chinese and Western restaurants, a cafe, beauty shop, swimming pool and gymnasium.

Chinese State Councillor Gu Mu attended the signing and met Tony Fung, chairman of Hong Kong's Sun Hung Kay Company Ltd. The signers of the contract were Fan Zuokai, chairman of the board of directors of the Diaoyutai Economic Development Company, and Andrew Chow, managing director of Tian An (Beijing). After the signing, the representatives of the two companies held a banquet. Gu Mu and leading members of departments concerned attended.

XING CHONGZHI IN DISCUSSIONS WITH HEBEI TEACHERS

SK230617 Shijiazhang Hebei Provincial Service in Mandarin 2300 GMT 6 Sep 86

[Text] On 5 and 6 September, leading comrades of the provincial party committee and government, including Xing Chongzhi, Li Wenshan, Chen Yujie, and Wang Zuwu, devoted two days to holding informal discussions with representatives of teachers of various colleges, universities, primary schools and middle schools in the provincial capital, and to hear their opinions on the province's educational work.

Holding discussions with teachers prior to the Teachers' Day is a system which the provincial party committee and government instituted during a forum held on the first Teachers' Day last year. What is different from last year is that this year's forum of teachers has concentrated only on giving opinions.

As soon as the forum began, Comrade Xing Chongzhi explicitly made a three-point rule with teachers that the forum would not report on work achievements or on the provincial leaders' concern for education and that all teachers were welcome to give opinions and to offer suggestions for the work of the provincial party committee and government.

Seeing the sincere attitude of the provincial leaders, the teachers who were initially nervous became active and began to freely air their views. Thirty-three teachers respectfully gave opinions and suggestions concerning the problems which the teaching staffs have been concerned about, such as educational funds, building the teachers ranks, educational reform, and the livelihood of teachers.

The leading comrades made notes conscientiously and interposed remarks frequently from start to finish. They gave explanations to teachers on the problems whose solution is impossible at present. They also instructed the provincial Education Commission and the comrades of the relevant departments in Shijiazhuang City to take an interest in some long-unresolved problems whose solution is in fact possible and to formulate specific stipulations within a short time.

After hearing the speeches by the teachers, Comrade Li Wenshan, deputy secretary of the provincial party committee, said with deep feeling: To vitalize Hebei's educational undertakings, we must further foster a good social habit of respecting teachers and paying attention to education. In paying attention to education, our province has not done much. We must do more solid work in a down-to-earth manner.

Comrade Xing Chongzhi, secretary of the provincial party committee, sincerely told the teachers: In changing the province's backward educational situation, we must undergo a process. It is hoped that all teachers will display their subjective initiative to the greatest extent, strive to do their work well, and win support for education from the whole society with their achievements.

NEI MONGGOL ISSUES FAMILY PLANNING OUTLINE

SK230843 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 22 Sep 86

[Text] The Propaganda Department of the autonomous regional party committee and the autonomous regional Family Planning Commission recently issued a joint outline of publicizing family planning work. They urged the propaganda departments under the league, city, banner, and county party committees and the departments in charge of family planning work to bear in mind the actual local situation and to organize the social circles concerned to continuously and vigorously publicize family planning work in an effort to make new contributions to combating the new baby boom and fulfilling the family planning plan during the implementation period of the Seventh 5-Year Plan.

The outline of propaganda activities points out: Since the implementation period of the Seventh 5-Year Plan, our region has begun to face the third baby boom since the country's liberation. Our region will show a yearly average increase of 49,000 fertile women during the Seventh 5-Year Plan period over the figure in the Sixth 5-Year Plan period. However, the Seventh 5-Year Plan has set forth a yearly average decrease of 23,000 in population growth.

The outline of propaganda activities stresses: In order to successfully fulfill the family planning plan during the implementation period of the Seventh 5-Year Plan, we should unswervingly uphold the policy of one couple having one child and continuously advocate late marriage and birth. The rural areas which have actual difficulties can be accommodated in line with their conditions and in a planned manner for having a second child. Strict controls should be enforced over second or multiple births outside the plan. Along with conducting effective controls over multiple births and second births outside the plan, it is necessary for us to gradually enlarge the number of couples having a second child within the plan. In line with the spirit of the central directive, we should still conduct pilot family planning work among minority couples and sum up the experiences gained in this work in order to create conditions for formulating a family planning policy for minority areas.

The outline of propaganda activities also urges various localities throughout the region to vigorously implement comprehensive measures of family planning, to enhance the work of building a spiritual civilization, and to have the party and CYL members be vanguards in conducting family planning work in order to make still greater contributions to curtailing the excessively rapid growth in the region's population.

I. 23 Sep 86

PRC REGIONAL AFFAIRS
NORTHWEST REGION

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GANSU CPC COMMITTEE SECRETARY ATTENDS CEREMONY

HK180453 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 17 Sep 86

[Excerpts] A monument unveiling ceremony was held this morning in (Hongliulin), (Jijiashan), Lanzhou City, to mark the movement to collect grass seeds to support Gansu.

When inspecting the province in August 1983, General Secretary Hu Yaobang called for growing grass, planting trees, developing animal husbandry, transforming mountains and rivers, and getting rid of poverty and becoming rich. Since then a green revolution of historical significance has taken place in the vast area of Gansu. To support the greening movement in Gansu, the CYL Central Committee called on youngsters in the country to collect grass and tree seeds to support Gansu. Some 592 counties from 27 provinces, autonomous regions, and municipalities, PLA units, patriotic Overseas Chinese, and foreign friends have collected a total of more than 4 million kg of various grass and tree seeds to support the province and plant in Gansu.

At 2:15 pm amid music and sound of firecrackers, Li Ziqi, Huang Luobin, Liu Bing, and Wang Jintang unveiled a monument. On the front of the monument were Comrade Hu Yaobang's words of encouragement of August 1983: Grow grass, plant trees, get rid of poverty, become rich. On the back of the monument were the full text of the inscription and the names of the provinces that have collected grass and tree seeds to support Gansu. [passage omitted] More than 200 people attended the ceremony, including provincial leaders Chen Xu, Guo Hongchao, Liu Lanting, Yang Fuxin, Zhu Xuanren, and (Gong Tan Cang Tan Bei Wang Xu), and responsible comrades of the provincial forestry department and the provincial CYL committee.

GANSU MEETING ON ECONOMIC WORK, EFFICIENCY

HK200237 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 19 Sep 86

[Excerpts] The provincial government's second enlarged plenary meeting of this year, which concluded in Lanzhou today, discussed and revised the draft of the province's Seventh 5-Year Plan, made an all-round analysis and summation of economic work in the province the first 8 months of the year, and made specific arrangements for the next stage of work.

The meeting held that the draft of the province's Seventh 5-Year Plan was drawn up on the basis of the truth-seeking analysis of the favorable conditions and unfavorable factors for economic and social development in Gansu. The draft reflects the aspirations of the province's people and accords with Gansu reality. The goals of endeavor are positive while also leaving a margin. The various targets are guaranteed by corresponding policies and measures. [passage omitted]

The meeting proposed that a basic way for the province to develop the economy during the Seventh 5-Year Plan is to center efforts on the large and medium backbone enterprises and backbone projects, vigorously develop lateral economic ties, and promote the development of prefectural and county industry, township enterprises, urban collective economy, and tertiary industry. The province should develop a number of enterprise groupings that are consortia in nature. [passage omitted]

The key to fulfilling this plan lies in this year and next year. In particular, we must ensure the fulfillment of this year's production tasks. The meeting demanded that all areas and departments firm up for the enterprises the targets for the last 3 months of the year, assign responsibilities for each person, and make arrangements for each month. We must guarantee the fulfillment of the required rate of progress. Enterprises with potential for overfulfilling their plans should work hard and strive for greater overfulfillment. Township enterprises and urban collective enterprises should also take advantage of the golden season to make more contributions to fulfilling the province's task.

The meeting also considered the question of instituting a system of targets to be met during a county government's term of office.

Leading comrades of the provincial party committee and government Li Ziqi, Jia Zhijie, Lu Ming, and Zhang Wule made speeches on current economic and political structural reforms and economic work.

The meeting also discussed the question of how to speed up the rhythm of work and improve work efficiency, in order to overcome the bureaucratic work style in the provincial government and the government organs characterized by taking charge of too many things, providing too little service, delaying handling problems, passing the buck, and being enmeshed in piles of documents and a sea of meetings.

The meeting proposed that in the future a system of having the leading cadres of government departments responsible for targets to be met during their term of office will be gradually instituted. All commission, offices, departments, and bureaus should clearly define their scope of responsibilities, properly exercise the powers conferred on them by the provincial government, and do their work in an independent and responsible way. It is also necessary to strengthen lateral ties between government departments. We must be resolved to cut down the number of documents and improve their style and quality. We must greatly reduce the number of ceremonial activities. All areas and departments should organize as few as possible celebrations and commemorations in their area and system. [passage omitted]

The meeting also said that it is necessary to set up a scientific policy-making process in the provincial government. The departments of the government should set an example for the whole province, fully play their parts as general staff, assistants, providers of information, and coordinators, strive to do first-class work, and do their jobs with high efficiency and quality.

GANSU CPC SECRETARY URGES ENTERPRISES DEVELOPMENT

HK180752 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 17 Sep 86

[Excerpts] On the afternoon of 17 September, ZHONGGUO XIANGZHEN QIYE BAO and the provincial Township Enterprise Bureau jointly held a meeting at Lanzhou's (Ningwozhuang) Hotel to commend outstanding managers and directors of township enterprises in the province. [passage omitted]

Responsible comrades of the provincial party committee, the provincial Advisory Committee, the provincial People's Congress, and the provincial government Li Ziqi, Huang Luobin, Liu Bing, Wang Jintang, Guo Hongchao and Lu Ming, and responsible comrades of the relevant provincial departments and bureaus attended the meeting.

In his speech Comrade Li Ziqi affirmed the achievements township enterprises in the province have made over the past few years and put forth several proposals for future development of township enterprises in the province:

1. Proceeding from Gansu's reality in developing township enterprises and giving full play to the province's natural resources.
2. Adopting preferential and flexible policies toward township enterprises and not to impose strict control over them.
3. Strengthening information work and enliven commodity circulation between township enterprises.
4. Upgrading the management level of township enterprises so as to achieve better economic results.

QINGHAI HOLDS PASTORAL WORK CONFERENCE

Urges Animal Husbandry

HK180125 Xining Qinghai Provincial Service in Mandarin 2330 GMT 16 Sep 86

[Text] Yesterday, at the provincial pastoral work conference, on behalf of the provincial party committee and government, Comrade Song Ruixiang, make a report entitled: Persevere in Reforms, Keep Forging Ahead, and Upgrade the Province's Animal Husbandry Economy to a New Level.

The conference was presided over by Comrade Yin Kesheng, secretary of the provincial party committee. Provincial party and government leading comrades Liu Feng, Bian Yaowu, Mao Wanli, Gabulong, Han Fucai, Bainma Dandzin, and (Ru Chengzhi) attended the conference.

In his report, Comrade Song Ruixiang said that Comrade Hu Yaobang has twice inspected our province and made a brilliant exposition of the strategic position of animal husbandry in the province. This is of great significance in unifying the ideological understanding of cadres at all levels in the province, in guiding people in invigorating the economy in pastoral areas, and in developing the province's animal husbandry. We must take the instructions of the general secretary as guidance and understand anew the province's animal husbandry.

Comrade Song Ruixiang said that the special role of animal husbandry in the province's economy was established due to historical, geographical, natural, and social conditions. Historically, animal husbandry has been the traditional production of people of various nationalities. Regarding the natural resource of grassland, the province has favorable conditions for developing animal husbandry. Regarding the composition of the output value of pastoral areas and their contributions to the country, animal husbandry plays an extremely important role in the province's economy. Since liberation, the province has relied on the state in financial expenditure and grain supply. The main products that the province can now offer to benefit the state and to export in order to earn foreign exchange are livestock products. Therefore, we must properly develop animal husbandry according to the province's reality. This not only serves economic development, but is also an important preparation for switching the focus of the work of our country.

After reviewing the history of the development of animal husbandry in the province and the basic experiences the province has gained in its development, Comrade Song Ruixiang said that the guiding thought for developing the province's animal husbandry is that the province must work hard for a long time and must grasp the three links that General Secretary Hu Yaobang pointed out -- improving the breeding of domestic animals, building grassland, and processing livestock products. On this basis, we can give specific guidance and make progress in a planned way and step by step. During the Seventh 5-Year Plan and for a relatively long period in the future, we must develop animal husbandry in pastoral areas according to the characteristics of grassland animal husbandry, combine traditional methods with scientific methods, properly run natural grassland, build artificial grassland well, unceasingly improve production conditions, vigorously develop a diversified economy, and develop animal husbandry and the economy in pastoral areas continuously, steadily, and in a coordinated way. While developing agricultural production, agricultural areas on the eastern part of the province and small agricultural areas must vigorously develop animal husbandry and resolutely take the road of combining agriculture with animal husbandry.

In conclusion, Comrade Song Ruixiang said the developing the province's animal husbandry continuously and steadily is not merely a task for an individual prefecture or country or task for an individual department, but a task for party organizations at all levels of the province. As Comrade Hu Yaobang instructed, we must attach importance to animal husbandry. Party committees and governments at all levels must effectively strengthen their leadership over animal husbandry work. Leading comrades must assiduously study animal husbandry and become experts. The provincial party committee and government have decided to increase investment in animal husbandry from next year and firmly grasp the reform of the economic structure in the province's pastoral areas just as they did in reform of the rural economic structure, so as to push the province's animal husbandry to a new level.

Yin Kesheng Speaks

HK190334 Xining Qinghai Provincial Service in Mandarin 2330 GMT 18 Sep 86

[Excerpts] The provincial conference on work in pastoral areas held a full session on 18 September. Comrade Yin Kesheng made a speech. After reporting on Comrade Hu Yaobang's inspection of Qinghai and the provincial party committee Standing Committee's study of Comrade Hu Yaobang's important speech and remarks, he said: Developing animal husbandry in Qinghai is linked to the economic development of the whole country. Our cadres at all levels must consider the whole country when facing problems.

Comrade Yin Kesheng pointed out that the reform tasks facing Qinghai's pastoral areas are very heavy, and many aspects are involved. We must be skilled at grasping the focal points so as to spur the whole effort. [passage omitted] We must be even more bold in opening up to the world, developing lateral economic ties, and strengthening the pastoral areas' capacity to develop their economy themselves.

In social development, we must base our work on the fact that Qinghai is a vast province with a sparse population and that people of many nationalities live here. We must be still more bold in reforming the commercial and medical and public health systems. We must adopt still more flexible and effective measures to bring able hands from the interior of China into the pastoral areas to pass on their skills and technical knowledge and to work together with the herdsmen to develop production and enrich the economy. We must also apply the spirit of reform to guide the herdsmen masses in leading new-style socialist lives.

We should apply the methods of education by persuasion and demonstration to mobilize the herdsmen masses to spontaneously reform their backward customs and habits of sanitation, diet, housing, and so on, and to reform outdated practices in religion that hamper nationality aspirations and the enrichment of the people. We should thus create an economic and political atmosphere of relaxation and accord for bringing about a new situation in socialist construction in the pastoral areas.

Comrade Yin Kesheng said in conclusion: The key to implementing Comrade Hu Yaobang's instructions on developing Qinghai animal husbandry and speeding up the development of animal husbandry lies in strengthening leadership over animal husbandry from top to bottom throughout the province, working hard to implement the various policies and measures, striving to improve our work style, and making great efforts for a long period of time. We should advance with steady steps toward our stated goal.

SHAANXI LEADER SPEAKS ON RURAL RECTIFICATION

HK200239 Xian Shaanxi Provincial Service in Mandarin 0030 GMT 20 Sep 86

[Text] The 6-day provincial party committee conference on party rectification work concluded yesterday. Secretary Bai Jinian addressed the conference yesterday. He said: Village-level party rectification must not stop at the level of the first and second stages of party rectification. It should show new development and progress. Bai Jinian pointed out: The key to village-level party rectification lies in grasping education in party spirit. We must eliminate the pernicious influence of patriarchal and feudal thinking and teach the rural party members to embrace the concept of commodity economy. We must put right the problems of violations of law and discipline and unhealthy trends among rural party-member cadres, and do a good job in building the leadership groups of the party branches. He stressed that the party organizations at all levels must truly solve the failure of the party to manage itself properly, and tangibly strengthen party leadership.

XINJIANG LEADER DISCUSSES ECONOMIC CONSTRUCTION

HK190257 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 18 Sep 86

[Excerpts] Regional party committee Secretary Song Hanliang said at a meeting of responsible persons of all prefectures and departments in the region today that during the Seventh 5-Year Plan Xinjiang should follow the path of taking large-scale agriculture as the foundation and the light, textile, and foodstuff industries as the main body. The key to following this path successfully lies in the towns, and the core issue is to work hard to improve the quality of industrial products.

Comrade Song Hanliang said that during the Seventh 5-Year Plan, the strategic focus of Xinjiang's economic development should be on exploiting and using surface resources. We should follow this path in the following four aspects:

1. Taking large-scale agriculture as the foundation, vigorously develop the light, textile, and foodstuff industries.
2. Where conditions permit, speed up as far as possible the exploitation of underground resources, with the focus on prospecting these resources in preparation for large-scale exploitation in the future.

3. To meet the needs of exploiting and using resources, we must step up the construction of infrastructural projects including roads, railroads, and aviation, water conservancy, and energy facilities.

4. Vigorously develop culture, education, science and technology, and the training of talent.

Comrade Song Hanliang said: As a result of the two stages of reforms, rural commodity economy is developing very fast and the momentum is rapid. We must lose no time in developing to the maximum outstanding production items with Xinjiang characteristics. [passage omitted] Comrade Song Hanliang pointed out that quality is at present an outstanding problem in the region's industry. As commodity production develops, we must change our concept of quality. Good or poor quality is not just something to be measured by indices; we must also look at product variety, whether market demands are met, and whether the products are competitive. There is no way out for our light, textile, and foodstuff industries if they remain at a low quality level. [passage omitted]

XINJIANG ON URBAN ECONOMIC STRUCTURAL REFORM

HK180823 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 17 Sep 86

[Excerpts] The regional work conference on urban economic structural reform which concluded today, stressed that proceeding from the region's actual conditions, we should seriously study and solve the new situation and problems which developed during the course of reform. We should unswervingly promote reform and make it better serve the region's strategic goal of economic development.

The conference seriously summed up the region's work in urban economic structural reform over the past 2 years, and worked out future tasks and measures for continuing the task. Comrades participating in the conference carried out an in-depth discussion on such issues as adding vitality to enterprises, particularly large and medium-sized enterprises; changing the government's functions; strengthening the supervision of trades; further developing lateral economic links; and strengthening the leadership over the work of economic structural reform.

The conference determined that in order to further promote the work of reform, we must replace outdated traditional concepts with the concept of commodity economy. Various problems which have developed in our current reforms are, to a great extent, the results of the old concepts and economic formation. The duty of leadership is to keep sober-minded, to thoroughly understand the direction of reforms, and to strengthen people's resolve to carry out reforms. They should also constantly propagate new concepts and, in connection with the requirements of the new concepts, lead and support various reforms, so as to promote an in-depth development of reforms. [passage omitted]

The conference conveyed Comrades Wan Li and Gu Mu's instructions on the region's work, which were made during their visit to the region. Song Hanliang, secretary of the regional party committee, made a speech at the conference. Tuohuti Shabier, Hedeerbai and Jin Yunhui, vice chairmen of the region; Lu Dong, minister of the State Economic Commission; and He Guanghui, vice minister of the State Commission for Restructuring Economic System, delivered reports at the conference. Tomur Dawamat, chairman of the region, made the summary speech. Five units, including Xinjiang steel mill, discussed their experiences at the conference.

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FOREIGN MINISTRY HOLDS WEEKLY NEWS BRIEFING

Li Xiannian DPRK Visit

OW241020 Beijing XINHUA in English 1003 GMT 24 Sep 86

[Text] Beijing, September 24 (XINHUA) -- Li Xiannian, member of the Standing Committee of the Political Bureau of the Central Committee of the Chinese Communist Party and president of the People's Republic of China, will pay an official good-will visit to the Democratic People's Republic of Korea from October 3 to 6.

He will be the guest of Comrade Kim Il-song, general secretary of the Central Committee of the Korean Workers' Party and president of the state of the DPRK.

This was announced by a Foreign Ministry spokesman at a weekly news briefing here this afternoon.

USSR Consultations To Resume

OW241050 Beijing XINHUA in English 1038 GMT 24 Sep 86

[Text] Beijing, September 24 (XINHUA) -- In accordance with the agreement reached between China and the Soviet Union, the ninth round of consultations between the special envoys of the Chinese and the Soviet Governments will be held in Beijing beginning from October 6 to continue the discussion on the question of normalizing relations between the two countries, a Chinese Foreign Ministry spokesman announced here today.

He said that the special envoy of the Chinese Government is Vice-Foreign Minister Qian Qichen and the special envoy of the Soviet Government is Vice-Foreign Minister I.A. Rogachev.

The Soviet delegation will arrive in Beijing on October 5, he added.

The spokesman also announced that at the invitation of State Councillor and Foreign Minister Wu Xueqian, Mr. Pierre Aubert, vice-president of the Federal Council and minister of foreign affairs of Switzerland, will pay an official visit to China from October 7 to 12.

Pakistan Nuclear Pact Discussed

OW241100 Beijing XINHUA in English 1052 GMT 24 Sep 86

[Text] Beijing, September 24 (XINHUA) -- The cooperation between China and other countries in the field of nuclear energy is exclusively for peaceful purposes rather than any non-peaceful purposes, a Chinese Foreign Ministry spokesman said here today.

Responding to a question raised by some journalists on nuclear cooperation agreement between China and Pakistan, the spokesman said at a weekly news briefing, "the Chinese Government has solemnly declared on many occasions that China does not advocate, encourage or engage in nuclear proliferation, and that it does not assist other countries in developing nuclear weapons. This is a set policy of China."

"The agreement signed recently between China and Pakistan for cooperation in the peaceful uses of nuclear energy stipulates in unequivocal terms that the International Atomic Energy Agency will be requested to guarantee safety for the cooperation projects between the two sides after the usual practices of the world," he said.

He went on, "This once again demonstrates that China is serious and earnest with regard to its policy of non-proliferation. China sincerely hopes for peace and stability in the South Asian region. China firmly supports the proposal for the establishment of the nuclear-free zone of South Asia.

"It is known to all who it is that poses a threat to peace in South Asia. The unjustified criticism in disregard of facts on the cooperation in the peaceful uses of nuclear energy between China and Pakistan is regrettable."

Israeli Relations Report Refuted

OW241120 Beijing XINHUA in English 1104 GMT 24 Sep 86

["Chinese Spokesman Refutes Reports on Discussion Between Chinese and Israel Officials" -- XINHUA headline]

[Text] Beijing, September 24 (XINHUA) -- A Chinese Foreign Ministry spokesman said here today that "the report about the secret meeting between the Israeli and Chinese officials in Paris and the reports about the bilateral relations between China and Israel are all fabrications."

He said this while responding to questions raised by journalists at a weekly news briefing.

Wang Bingqian Trip Announced

OW241128 Beijing XINHUA in English 1105 GMT 24 Sep 86

[Text] Beijing, September 24 (XINHUA) -- Vice-Premier Tian Jiyun will pay a goodwill visit to Singapore, Malaysia, the Philippines and Thailand from October 11 to 28.

This was announced by a Foreign Ministry spokesman here this afternoon at the weekly news briefing.

The spokesman also announced that State Councillor and Minister of Finance Wang Bingqian will head a Chinese delegation to attend the 1986 World Bank and the International Monetary Fund annual meetings of the boards of governors to be held from September 28 to October 3 in Washington.

REAGAN OUTLINES ARMS CONTROL IN UN SPEECH

XINHUA on Speech

OW222222 Beijing XINHUA in English 1858 GMT 22 Sep 86

[Text] United Nations, September 22 (XINHUA) -- U.S. President Ronald Reagan today offered to sign an agreement with the Soviet Union delaying deployment of his Strategic Defense Initiative (SDI), or the "star wars" program, for seven years and said he was prepared to consider an interim reduction in superpower arsenals.

But he said that "a pall has been cast over our relations with the Soviet Union." He was referring to the detention on August 30 in Moscow of Nicholas Daniloff, Moscow correspondent for the U.S. NEWS AND WORLD REPORT, on espionage charges. Daniloff's detention followed the arrest a week earlier of Gennadiy Zakharov, a Soviet national and U.N. employee, for alleged spying in New York.

"Nicholas Daniloff is an innocent hostage who should be released," Reagan told the 41st Session of the U.N. General Assembly, which began its general debate this morning. "The Soviet Union bears the responsibility for the consequences of its action. Misusing the United Nations for the purposes of espionage does a grave disservice to this organization," he charged.

Speaking on arms control, Reagan stressed that "weapons are the most dangerous and threatening to peace." The threat does not come from defensive systems but from offensive weapons, especially the Soviet Union's heavy ICBM with multiple warheads, he said. "The United States believes the prospect of a future without such weapons of mass destruction must be the ultimate goal of arms control."

Turning to his "star wars" program, Reagan said he was ready to sign an agreement immediately if the United States and Soviet Union could reach common ground on reducing strategic offensive weapons.

He said the United States continues to seek a 50-percent reduction of American and Soviet arsenals -- with the central focus on the reduction of ballistic missile warheads. "If the Soviet Union wants only a lesser reduction, however, we are prepared to consider it but as an interim measure," he said.

Reagan today offered a seven-year U.S. commitment to the 1972 Anti-Ballistic Missile (ABM) Treaty by offering to sign a new agreement limiting SDI to research, development and testing through to 1991. After that date, the two sides would be required to share the resulting technology and further negotiate the elimination of offensive weapons.

In the area of intermediate-range nuclear forces, he said, the United States seeks the total elimination of such missiles on a global basis. "Again, if the Soviet Union insists on pursuing such a goal in stages, we are prepared to conclude an interim agreement without delay," he declared.

Reagan said that the United States is prepared to sign an agreement with Moscow on research, development, testing, and deployment of strategic defenses based on the following:

First, both sides would agree to confine themselves, through 1991, to research, development, and testing, which is permitted by the ABM treaty, to determine whether advanced systems of strategic defense are technically feasible.

Second, a new treaty, signed now, would provide that if, after 1991, either side should decide to deploy such a system, that side would be obliged to offer a plan for sharing the benefits of strategic defense and for eliminating offensive ballistic missiles. This plan would be negotiated over a two-year period.

Third, if the two sides can't agree after two years of negotiation, either side would be free to deploy an advanced strategic defensive system, after giving six months notice to the other.

He said the United States is ready now to take important steps toward limiting nuclear testing. "I therefore call upon the Soviet Union to join us in practical, attainable progress in limiting nuclear testing."

He reiterated that progress in arms control cannot be divorced from "regional political development." He referred in particular to the "five critical, regional conflicts that are potential flashpoints for wider conflict", namely, Afghanistan, Kampuchea, Ethiopia, Angola and Nicaragua.

Reagan said it is difficult for the United States to accept Soviet assurances of peaceful intent when 126,000 Soviet troops prosecute a "vicious war" against the Afghan people, when 140,000 Soviet-backed Vietnamese soldiers wage war on the people of Kampuchea, when 1,700 Soviet advisors and 2,500 Cuban combat troops are involved in military planning and operations in Ethiopia, when 1,300 Soviet military advisors and 36,000 Cuban troops direct and participate in combat operations to prop up "an unpopular, repressive regime" in Angola.

The U.S. President proposed in this regard a "three-point peace process" for the resolution of regional conflicts: talks between the warring parties themselves, discussions between the United States and Soviet Union -- not to impose solutions, but to support peace talks and eventually eliminate the supply of arms and the proxy troops from abroad, and joint efforts to welcome each country "back into the world economy and the community of nations."

He also addressed the subject of terrorism, calling it heinous and intolerable -- "the crime of cowards."

In the economic area, Reagan emphasized his commitment to free trade and a free marketplace but said both faced "a grave threat -- the menace of trade barriers." "Truly, protectionism is destructionism," he added.

He welcomed the decision of GATT (the General Agreement on Tariffs and Trade) ministers meeting in Uruguay last week to launch a fresh round of multilateral trade negotiations. The United States was also working with other countries "to minimise currency swings, to promote stability in monetary markets, to establish predictability as a basis for prosperity," President Reagan said.

HSIN WAN PAO Commentary

HK231042 Hong Kong HSIN WAN PAO in Chinese 23 Sep 86 p 6

["Evening Talk" column by Yang Chu [5017 2612]: "Deferring for From 5 to 7 Years Is Nothing But a Gimmick"]

[Text] Soft and Firm Tone [subhead]

When President Reagan was talking about the issue of U.S.-Soviet nuclear disarmament in his speech delivered at the UN General Assembly, his tone was soft. When he talked about the affairs of American reporter Daniloff, he spoke with a firm tone.

He revealed that in a proposal submitted by the United States to the Soviet Union on nuclear disarmament he had even agreed to delay the deployment of the "star wars" defense system.

The United States Is Prepared To Consider It [subhead]

With regard to offensive nuclear weapons, Reagan stressed:

1. The United States still hoped that the Soviet Union would agree to a 50 percent reduction in the arsenals of both sides, with the emphasis on a reduction of the nuclear warheads on ballistic missiles. However, if the Soviet Union wanted only a lesser reduction, the United States was prepared to consider it. The percentage of reduction was not restricted to 50 percent.

2. With regard to medium-range nuclear weapons, the United States proposed that they be totally destroyed worldwide. However, if the Soviet Union disagreed with this, the United States was willing to sign an interim agreement with the Soviet Union with aim of abolishing medium-range nuclear weapons stage by stage.

Completely Different From the Previous Tune [subhead]

All these remarks were mild and indirect, which differed from Reagan's previous tune.

As far as the "star wars" defense system was concerned, he stressed that he had told the Russians that if the United States and the Soviet Union reached agreement on a drastic reduction in offensive nuclear weapons, the United States would immediately sign an agreement with the Soviet Union on the research, development, testing, and deployment of the "star wars" defense system.

Three Contents of "Star Wars" [subhead]

According to the proposal submitted by Reagan, the "star wars" weapons agreement will include the following:

1. For a period of 5 years, from the present until 1991, both sides will confine themselves to research, development, and testing.

2. A new treaty, signed now, would provide that if, after 1991, either side should decide to deploy such a system, that side would be obliged to offer a plan for sharing the benefits of strategic defense and for eliminating offensive ballistic missiles. This plan would be negotiated over a 2-year period.

3. If the two sides could not agree after 2 years of negotiations, either side would be free to deploy an advanced strategic defensive system, after giving 6 months notice to the other.

It Seems That He Has Drawn Back [subhead]

Both Reagan and his Secretary of Defense Weinberger said that the treaty on prohibition of antiballistic missile systems (ABMs) must be abrogated because it hinders the United States from developing the "star wars" arms system.

Now, while declaring in his speech that the United States will still observe the ABM treaty, Reagan said the deployment of the "star wars" arms system can be postponed until 1991, or in other words, for 5 or 7 years. It seems that he has drawn back, has he not?

In Fact He Has Not Drawn Back [subhead]

In fact, these are precisely the cunning tactics of the President or his advisers. Although the United States has made several breakthroughs in the development of the "star wars" arms system this year, it is still far from actual deployment, which cannot possibly be effected in 5 to 7 years. So, will it be really disadvantageous to the United States if it promises or even signs a treaty to postpone the deployment of the weapons system by 5 years?

The Soviet Union has given a cold response to Reagan's remarks. This means that the Soviets are not slow-witted either.

WU XUEQIAN CONTINUES DIPLOMATIC DUTIES AT UNTalks With Shultz

OW240056 Beijing XINHUA in English 0045 GMT 24 Sep 86

[Text] United Nations, September 23 (XINHUA) -- Chinese Foreign Minister Wu Xueqian met U.S. Secretary of State George Shultz here today and both cited the meeting as "straight forward, constructive and worthwhile."

At a working luncheon at the Chinese mission to U.N., the two ministers exchanged views on a wide range of issues including relations between the two countries and major international issues.

The Chinese foreign minister, who is here attending the current session of the United Nations Assembly, invited Shultz to visit China next year and the U.S. secretary of state accepted the invitation with pleasure.

Meets Portuguese Foreign Minister

OW240154 Beijing XINHUA in English 0131 GMT 24 Sep 86

[Text] United Nations, September 23 (XINHUA) -- Chinese Foreign Minister Wu Xueqian said here today that a successful settlement of Macao question rests upon mutual trust between China and Portugal.

The Chinese foreign minister and this Portuguese counterpart Pires de Miranda met here at the U.N. headquarters and discussed the future of Macao in what was termed as a friendly and agreeable manner.

Wu made it clear that China's policy on the question of Macao is through negotiations and according to the idea of "one country, two systems."

China and Portugal have held two rounds of negotiations over the settlement of the question of Macao since June this year.

In the process of negotiations, Wu said, China would take full account of Portugal's legitimate interests in Macao.

The Portuguese foreign minister, on his part, expressed his satisfaction with the smooth progress of the previous two rounds of negotiations held between the two governments.

He pointed out that the settlement of the question of Macao will not only contribute to Macao's prosperity and stabilization, but also help further the friendly relations between Portugal and China.

De Miranda told Wu that the Portuguese Government is in active preparation for the third round of negotiation on the question of Macao, which is scheduled to open in Beijing in October this year. He spoke highly of the achievements the Chinese Government has made in the past few years.

WAN LI MEETS UN ASSOCIATIONS FEDERATION OFFICIALS

OW231156 Beijing XINHUA in English 1125 GMT 23 Sep 86

[Text] Beijing, September 23 (XINHUA) -- Chinese Vice-Premier Wan Li met Prof. Hufner, chairman of the Executive Committee, and Dr. Hagmajer, secretary-general, of the World Federation of the United Nations Associations here today.

Hufner and Hagmajer arrived here September 20 on a visit to China at the invitation of the United Nations Association of China.

This morning and Monday morning, they held talks with leading officials of the host association on the current international situation and issues concerning the U.N. and U.N. associations.

PRC TO HELP ALLEVIATE UN FINANCIAL CRISIS

OW240842 Beijing XINHUA in English 0742 GMT 24 Sep 86

[Text] United Nations, September 23 (XINHUA) -- The Chinese Government has decided to pay its withholdings of contributions totalling more than 4.3 million U.S. dollars to help alleviate the financial crisis facing the United Nations.

This was disclosed by Chinese Permanent Representative to the United Nations Li Luye in a letter to U.N. Secretary General Javier Perez de Cuellar on September 19.

The letter, which was released here today, said that "this action taken by the Chinese Government is intended solely to help alleviate the financial crisis now facing the United Nations and in no way would it be taken to mean any change in my government's consistent principled positions on the issues related to these withholdings."

High-ranking officials of the Secretariat expressed their deep appreciation of the Chinese move to take the lead in paying withholdings to help alleviate the financial crisis facing the world body.

It was learned here that U.N. member-states' [words indistinct] of contributions will total more than 408 million U.S. dollars by August 31, 1986.

XINHUA ON STOCKHOLM DISARMAMENT CONFERENCE

OW221301 Beijing XINHUA in English 1201 GMT 22 Sep 86

["Roundup: Stockholm Conference Ends With Certain Progress on European Security Issue (by Xie Linfeng)" -- XINHUA headline]

[Text] Stockholm, September 22 (XINHUA) -- The 35-nation Stockholm disarmament conference ended here today after reaching agreement on avoiding accidental wars in Europe at the last hours of the 32 month tough and difficult negotiations.

According to the final document of the conference, delegates from the United States, Canada, the Soviet Union and all other European nations except Albania agreed unanimously to a package of accords on the verification of military activities in Europe..

The main accords are:

-- To notify each other at least 42 days in advance of any military manoeuvres involving more than 13,000 men or 300 tanks.

-- To give each other the limited right to inspect military activities or areas, each country can make up to three on-site visits a year.

-- To invite other signatories to observe manoeuvres involving more than 17,000 troops. This applies to roughly 10 exercises per year in each camp.

-- To draw up a calendar, to be issued by November 15 each year, detailing notifiable manoeuvres in the year ahead.

-- To assure not to use arms or threaten to use arms against the territories and independence of the other countries.

The agreement, regarded as a major move in easing East-West tension in the 1980s, is mainly the result of concessions from both sides.

The Stockholm conference, formally known as the Conference on Confidence and Security-Building Measures and Disarmament in Europe, started on January 17, 1984 within the framework of the 1983 Madrid European Security Conference Accord, but it made little headway during the first year as relations between the United States and the Soviet Union were strained by issues such as the Euro-missiles.

After the re-election of Ronald Reagan as the U.S. President and the ascent to the Kremlin leadership of Mikhail Gorbachev at the beginning of 1985, the Stockholm conference entered a "constructive phase" with both sides proposing "conference-building measures," although they were quite different from each other.

At the first Reagan-Gorbachev meeting last November, the two countries finally agreed to base the negotiations at Stockholm on compromising initiatives proposed by the neutral states.

Only in the past eight months, however, the United States and the Soviet Union, the two most powerful participants of the Stockholm conference, engaged in serious negotiations as the Stockholm conference was approaching its deadline and both the Soviets and Americans needed some progress in the talks to dramatize the second Reagan-Corbachev meeting presumably to be held at the end of this year.

During the 11th session of the Stockholm conference, the Soviet side only demanded that the military activities on the ground or associated with the army be informed in advance and independent air force movements will be discussed at the next Conference on European security. This obviously reversed the previous Soviet stand that all air and marine military activities be informed.

The Soviet Union also gave up its opposition to the Western countries' request for on-site inspection of military activities and finally agreed to three such inspections.

The Soviet consent to on-site inspection cleared a major obstacle to an agreement in the Stockholm conference and was welcomed by the West.

On the other hand, the Western countries made a rather big concession by raising the size of the military maneuvers to be notified in advance to 13,000 soldiers from 6,000 they had originally proposed. They also reduced the number of on-site inspections to three every year and pledged not to abuse the right of inspection.

At the final moment, the U.S. side stepped back from its insistence on using inspectors' own planes in the on-site inspection and agreed to use transport means provided by the inspected side.

During the Stockholm conference, the neutral and non-aligned European countries, as well as Federal Germany, Britain and France played important mediatory roles and helped the United States and the Soviet Union make mutual concessions.

Observers here believed that the Stockholm conference marked a step forward in the East-West dialogue and in easing tension in Europe. But they cautioned that one should not think too highly of the achievements since the two superpowers are still far apart on substantial disarmament.

FRIENDSHIP COMMITTEE SESSION OPENS IN TOKYO

OW240401 Beijing XINHUA Domestic Service in Chinese 1710 GMT 22 Sep 86

[By reporter Zhang Huanli]

[Text] Tokyo, 22 Sep (XINHUA) -- The 3d Plenary Session of the 21st Century Committee for China-Japan Friendship opened at the Hotel New Otani in Tokyo this morning.

Tadao Ishikawa, chief representative of the Japanese side, presided over the opening ceremony. Japanese Prime Minister Yasuhiro Nakasone attended and addressed the meeting. Chief Chinese representative Wang Zhaoguo and Tadao Ishikawa delivered keynote speeches.

In his address, Prime Minister Nakasone said: Through the previous two sessions, Japanese and Chinese members of the 21st Century Committee for Japan-China Friendship have established profound friendship, which has brought about more mature relations between the two countries. He said: "Frank exchange of views is indispensable for developing bilateral ties. Even if a problem crops up now or in the future in the friendly relations between the two countries, it should be handled in the spirit of the four principles governing Japanese-Chinese relations; that is, 'peace and friendship, equality and mutual benefit, mutual trust, and prolonged stability.' As long as the two sides abide by these four principles, problems can be properly handled."

Chinese Ambassador to Japan Zhang Shu read a joint congratulatory message from General Secretary Hu Yaobang and Premier Zhao Ziyang. Masayoshi Ito, president of the Dietmen's League for Japanese-Chinese Friendship, delivered a speech on behalf of all Japanese-Chinese friendship organizations, warmly congratulating the opening of the third plenary session.

Shortly before the session started, Prime Minister Nakasone met with Wang Zhaoguo.

The session, which moved from Tokyo to Oiso in Kanagawa Prefecture this afternoon, is scheduled to close on 24 September. In his speech, Wang Zhaoguo said: To realize the splendid goal of Sino-Japanese friendship in the 21st century is in line with the vital interests of the Chinese and Japanese nations, as well as an inevitable trend in the development of Sino-Japanese relations. We have already realized many favorable conditions and achieved a good beginning in this aspect.

Wang Zhaoguo said: Owing to different social and economic systems and ideologies between China and Japan, contradictions and differences, or even suspicions of one kind or another, might emerge along with closer contacts between the two countries. "We believe that the two sides should respect each other and seek common ground while reserving differences regarding problems arising from different social lifestyles and cultural traditions. Suspicion caused by a lack of mutual understanding or by misunderstanding should be cleared and absorbed via a prompt exchange of views. As for differences concerning major issues in bilateral ties, we should handle them carefully because they are apt to undermine relations between the two countries."

In this connection, Wang Zhaoguo expounded on the following five basic positions to properly handle destabilizing factors in bilateral relations.

He said: First of all, a correct assessment of history is a prerequisite for lasting friendship between the two countries. A number of problems unfavorable to Sino-Japanese friendship have occurred over recent years. Despite different manifestations, the problems were basically caused by the failure to correctly assess the history of the Japanese militarist invasion of China. Second, providing the next generation with wholesome education is a lofty task facing our two countries. Both countries should train a new generation of people, dedicated to Sino-Japanese friendship, to have a correct outlook on history and mutual trust, as successors to the cause of our friendship. Third, it is extremely important to respect the national feelings of the Chinese and the Japanese peoples in properly handling problems existing between the two countries. We sincerely hope that both government and nongovernmental circles in China and Japan will actively guide the national feelings of each country to develop along this correct direction. Both sides should exert maximum efforts to refrain from doing anything that will hurt the national feelings of either the Chinese or Japanese people. Fourth, both countries should make persistent efforts for peaceful development. Fifth, it is necessary to map out long-range plans for further strengthening Sino-Japanese economic and technical cooperation.

In his speech, Ishikawa reviewed the achievements of the previous two sessions of the 21st Century Committee for Japan-China Friendship, in particular the "4-point opinion for developing Sino-Japanese friendly relations" put forward by General Secretary Hu Yaobang at a meeting with members of the committee after the second session last year. He said: "General Secretary Hu's 4-point opinion fully reflects his dedication to Japanese-Chinese friendship. It expounds on the importance of a correct assessment of history and respect for the national feelings of the other country to further develop friendship; it also stresses the heavy tasks shouldered by the members of the committee in identifying and resolving contradictions. Prime Minister Nakasone and the Japanese Government have supported this '4-point opinion'."

Ishikawa said: "In the development of Japanese-Chinese relations over the past year, there have been positive factors, such as the exchange of visits by Japanese and Chinese foreign ministers for consultations, the visit to Japan of 500 Chinese youths, and other dialogues and exchanges; but there have also been negative factors, such as the issues concerning official visits to Yasukuni Shrine and history textbooks." Efforts have been made to eliminate adverse effects of the aforesaid negative factors in line with the basic guiding principles of Japanese-Chinese relations, which were reaffirmed at the last committee session, and through constant dialogues at various levels between the two governments and between Japanese and Chinese members of the committee.

JAPANESE BUSINESS MISSION ARRIVES IN BEIJING

OW231211 Tokyo KYODO in English 0911 GMT 23 Sep 86

[Text] Beijing, Sept. 23 KYODO -- A high-powered Japanese business mission arrived here Tuesday for a five-day visit to China.

The 44-member mission comprises leaders of business organizations and corporations and is headed by Ryoichi Kawai, chairman of Komatsu Ltd.

During their stay through Saturday, the group will talk with Chinese officials to promote China's exports to Japan.

STATISTICS EXCHANGE PACT TO BE SIGNED WITH JAPAN

HK230545 Beijing CHINA DAILY (BUSINESS NEWS SUPPLEMENT) in English 10 Sep 86 p 1

[By staff reporter Wang Xingcun]

[Text] For the first time China is set to regularly send basic data on 2,000 Chinese large and medium-sized enterprises to a foreign publication, says the China Statistical Information and Consultancy Service Centre.

An agreement between the centre and the JAPAN ECONOMIC NEWS (NIHON KEIZAI SHIMBUN) will be signed by the end of this month, said Xiang Zhongde, the centre's general manager.

"We will collect and process statistics from the 2,000 factories on their management, production, sales, capitalization, workforce and budgets. And then we will provide JAPAN ECONOMIC NEWS with the tabulated data," Xiang told BUSINESS WEEKLY.

Xiang said the centre was the only service in China producing English-language statistical books and materials, including "China 1986 Statistics Yearbook," "A Statistical Survey in 1986" and "China Urban Statistics Yearbook." It also conducts sample surveys and polls.

The centre, founded in May 1985, has met 230 orders from both Chinese and foreign firms and factories, Xiang said.

Last year the British printing firm Thomas De La Rue and Company Limited asked the centre to make a survey in four Chinese special economic zones. The firm wanted to know the number of cheques used in the previous five years and the forecast for 1986-90.

Austrian Stephen Fitzgerald and Company Limited consulted the centre on such questions as how many Chinese factories produced cars, washing machines, refrigerators and TV sets, and how many of those the urban Chinese had.

Making use of the State Urban and Rural Sample Survey Team with a staff of 20,000 throughout the country, the centre conducted a survey for the Shanghai Xiechang Sewing Machine Plant covering 30,000 rural households on what sewing machines the peasants had, why they bought them and what kind they needed in the future.

Earlier this year, China Central Television Station wanted to know whether their special Spring Festival Programme Show was popular with its audience. The centre surveyed capital cities in 28 provinces and autonomous regions, interviewing 1,300 families.

"Although we are under the direct administration of the State Statistical Bureau, the functions and aims of the centre and the bureau are different," Xiang said.

"The bureau only serves Government bodies and Party organizations, but we provide services for the whole society, foreign firms, Chinese factories and even individual businesses."

PAKISTANI GENERAL CONTINUES BEIJING VISIT

Meets Zhao Ziyang

OW231336 Beijing XINHUA in English 1312 GMT 23 Sep 86

[Text] Beijing, September 23 (XINHUA) -- Chinese Premier Zhao Ziyang here today described Sino-Pakistan relations as an example of peaceful coexistence of countries with different social systems.

During his meeting with General Rahimuddin Khan, chairman of Joint Chiefs of Staff Committee of Pakistan, and his party, Zhao said that the bilateral relations are characterized by sincerity and mutual trust, sympathy and respect.

He said the relations have a profound basis, have stood the (?test of) time and will [word indistinct] tests.

[Beijing XINHUA Domestic Service in Chinese at 1208 GMT on 23 September in its report on the meeting states the following:

"He said the relations have a profound basis, have stood the test of time and will stand new tests." (clearing indistinct words)]

He noted that it is the Chinese Government's established policy to continue to strengthen such relations.

Zhao said he appreciated the Pakistan Government's perseverance in its just position on the question of Afghanistan.

He said that political solution to the Afghanistan question must be based on the withdrawal of Soviet troops, and reiterated that China's stand will not change.

Zhao also said China supports Pakistan's efforts to safeguard independence and sovereignty.

Rahimuddin said the Pakistan authorities attach great importance to Pakistan-Chinese relations.

The Pakistan people and army have been greatly encouraged by China's progress in developing its economy and modernizing its national defense, he added.

Xu Huizi, deputy chief of General Staff of the Chinese People's Liberation Army, was present.

Khan Hosts Beijing Banquet

OW232102 Beijing XINHUA in English 1622 GMT 23 Sep 86

[Text] Beijing, September 23 (XINHUA) -- General Rahimuddin Khan, chairman of Joint Chiefs of Staff Committee of Pakistan, and his wife gave a return banquet at the Pakistan Embassy here this evening.

Among the guests were Yang Dezhi, chief of General Staff of the Chinese People's Liberation Army (PLA), his wife, and Xu Huizi, deputy chief of General Staff of the PLA.

Rahimuddin and his party visited the National Defense University of the PLA this morning and will leave Beijing tomorrow for a tour of Baotou, Sian and Shanghai.

HUANG HUA ASSURES CONTINUED SUPPORT TO PAKISTAN

BK231048 Karachi Domestic Service in English 1005 GMT 23 Sep 86

[Text] China will continue to support Pakistan to oppose external threat and safeguard its sovereignty. This was stated by the vice chairman, National People's Congress Standing Committee, Mr Huang Hua, while receiving the visiting 7-member women's delegation from Pakistan led by the Punjab minister for social welfare, Miss Shaheen Atiqur Rehman.

Reciprocating, Miss Shaheen Atiqur Rehman said Pakistan highly values its friendship with China and the warmth and hospitality shown to them would always be cherished.

AFGHAN REBEL COMMANDER COMMENTS ON SOVIET TACTICS

OW211106 Beijing XINHUA in English 0737 GMT 21 Sep 86

[Text] Islamabad, September 21 (XINHUA) -- The Soviets, apart from setting up 1,500 security posts around Kabul, capital of Afghanistan, have established two organizations to deal with the guerrillas.

This was disclosed by Abdul Haq, commander of Hezb-e-Islami (Maulawi Khales group), a member of the 7-party Islamic alliance of the Afghan mujahidin formed in 1985.

In a recent interview, the commander said that the two new pro-Russian-Kabul organizations are known as Defa-e-Khudi (self-defence) and Defa-e-Mulki (civil defence). The Soviets have distributed arms and ammunition to them, enabling them to maintain order in the capital and deal with the mujahidin infiltration into Kabul.

The Russians have not conquered Afghanistan since their invasion in 1979 with 115,000 troops, the commander said. Even in the capital, explosions and rocket attacks have become more often in recent years, with the Russian Embassy and its residential buildings being the main targets of the attacks.

The Russians have tried to buy over some tribes to isolate the guerrillas and their supporters, but failed, the commander said. This time the Russians will certainly fail again, because most of the Afghan people treasure independence and freedom and they will fight to the last drop of blood for this sacred cause.

The majority of the people the Soviets trust are in fact sympathizers of the mujahidin, and some of them have even stealthily joined in the fight of the guerrillas with Soviet-provided weapons, he added.

When asked about poppy cultivation in the liberated areas in Afghanistan, the commander said the Russians openly encourage the people to cultivate poppy in Afghanistan to defame the mujahidin and spread drug-addiction to Europe and America.

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He said the Russians have burnt wheat, maize and other crops, but left poppy alone. So they allow the cultivation of poppy in Afghanistan. On the contrary, he said, the guerrillas oppose and stop poppy cultivation in the country.

For instance, the guerrillas of all organizations recently have jointly destroyed poppy crops in Lowgar, one of the poppy growing areas in Afghanistan, in the southwest of Kabul.

NEPALESE PRIME MINISTER ON RELATIONS WITH PRC

OW211908 Beijing XINHUA in English 1837 GMT 21 Sep 86

[Text] Katmandu, September 21 (XINHUA) -- Nepalese Prime Minister Marich Man Singh Shrestha said here today that Nepal should strive hard to strengthen the Nepal-China relations in various aspects and make them more meaningful and productive.

The prime minister made the remarks while opening a Chinese artistic handicraft exhibition this evening at the art gallery of the Nepal Association of Fine Art.

The 6-day exhibition organized by the Nepal-China Cultural Council displayed over 60 pieces of the art hanging screens with rich Chinese national styles and features for marking the 37th anniversary of the founding of the People's Republic of China.

Tu Guowei, the Chinese ambassador to Nepal, said at the opening ceremony that the exhibition reflects the Chinese people's willingness of peace and development. Based on the five principles of peaceful coexistence, the friendly and cooperative relations between China and Nepal have been developed, he added.

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BULGARIA'S TODOROV MEETS NPC DELEGATION

OW240142 Beijing XINHUA in English 0127 GMT 24 Sep 86

[Text] Sofia, September 23 (XINHUA) -- Chairman of the Bulgarian National Assembly Stanko Todorov met with the delegation of the Chinese National People's Congress led by Vice-Chairman of its Standing Committee Liao Hansheng here Monday afternoon.

At the meeting, Liao Hansheng reaffirmed the Chinese Government's position on disarmament and prohibition of the use of nuclear weapons.

China stands for the principle of all peoples developing their national economies through their own efforts, actively defending world peace and curbing the outbreak of a world war, the vice-chairman said.

Liao also said that the Chinese people welcome the summit talks between the two superpowers. He expressed the hope that agreements on large-scale disarmament and cessation of the arms race in outer space will be reached at the summit in the interest of world peace and stability.

Todorov said that the most important task today is to maintain world peace, stop the arms race and nuclear tests.

Both parties agreed that the visit has increased mutual understanding and enhanced political, economic and cultural cooperation.

The delegation arrived here last Friday for an eight-day visit.

TEXTILE MINISTER WU WENYING VISITS BULGARIA

Meets Zhivkov

OW180158 Beijing XINHUA in English 0048 GMT 18 Sep 86

[Text] Sofia, September 17 (XINHUA) -- Bulgarian State Council Chairman Todor Zhivkov met with Chinese Textile Minister Wu Wenying today, saying that his country would further relations with China.

Zhivkov told Wu, who is heading a Chinese textile delegation on a visit here, that "there is no obstacle which can prevent Bulgaria and China from cooperating in economic and other fields."

Bulgaria is interested in China's experiences in economic construction and hopes that the two countries will exchange information about their socialist construction, Zhivkov said.

Wu briefed Zhivkov on the development of China's textile industry and said that her ministry will cooperate with its Bulgarian counterpart.

Earlier today, First Vice Premier Andrey Lukanov also received Wu, who leaves for home tomorrow with her delegation.

Departs 18 Sep

OW181143 Beijing XINHUA in English 1102 GMT 18 Sep 86

[Text] Sofia, September 18 (XINHUA) — Chinese Textile Minister Wu Wenying today concluded a week-long visit to Bulgaria.

Since her arrival, she has met with top Bulgarian leaders and chiefs of textile enterprises, and signed a memorandum on their talks.

In the talks with her Bulgarian counterpart Elena Zlateva, both sides expressed satisfaction at the progress in scientific and technical cooperation between the two countries and said they were interested in furthering such cooperation in textile industry.

They agreed to exchange information and experts, organize technical training and hold exhibitions and trade fairs in each other's country.

HEALTH COOPERATION PLAN SIGNED WITH POLAND

LD192106 Warsaw PAP in English 1236 GMT 19 Sep 86

[Text] Beijing, Sept. 19 — A delegation of the Polish Ministry of Health and Social Welfare, headed by Minister Mirosław Cybulko, paid a visit to China between Sept. 11 and 19 at the invitation of Chinese Minister of Public Health Cui Yueli.

Members of the Polish delegation held talks at the Chinese Ministry of Health, met with Minister Cui Yueli and toured a number of health centres.

On September 17, the delegation was received by State Councillor Ji Pengfei.

During the visit, the sides signed a plan of cooperation between the Polish and Chinese Ministries of Health for the years 1987-88 which provides for training of medical staff and cooperation in such fields as diagnostic and therapeutic methods, plastic surgery, transplantations, cardiology, virology and oncology. They agreed that a week of Polish medicine will be organized in People's China.

GEOLOGICAL SCIENCE PROTOCOL SIGNED WITH HUNGARY

OW200306 Beijing XINHUA in English 0200 GMT 20 Sep 86

[Text] Budapest, September 19 (XINHUA) — China and Hungary signed a five-year protocol on cooperation in the field of geological science here today.

The protocol was signed by Xia Guozhi, Chinese vice minister of geology and mineral resources, and Viktor, Dank director of the Hungarian Bureau of Geology.

During his stay in Hungary from September 11 to 19, the Chinese vice minister toured a bauxite mine, a uranium mine, and the petroleum and geophysical research institutes.

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HUNGARIAN PARTY WORKER VISITS BEIJING

Meets Zhu Liang

OW191905 Beijing XINHUA in English 1509 GMT 19 Sep 86

[Text] Beijing, September 19 (XINHUA) -- Zhu Liang, head of the International Liaison Department of the Chinese Communist Party Central Committee, met and feted here today Istvan Oszi, deputy head of the Foreign Affairs Department of the Central Committee of the Hungarian Socialist Workers' Party.

Meets Qiao Shi

OW201432 Beijing XINHUA in English 1312 GMT 20 Sep 86

[Text] Beijing, September 20 (XINHUA) -- A senior Chinese Communist Party (CPC) leader today expressed the hope for further contacts between the CPC and the Hungarian Socialist Workers' Party.

"Such contacts would be beneficial to both," Qiao Shi, member of the Political Bureau and Secretariat of the CPC Central Committee, said at a meeting with Istvan Oszi, deputy head of the Foreign Affairs Department of the Central Committee of the Hungarian Socialist Workers' Party.

Hungary's reforms have provided food for thought to China, he said. As the economic restructuring deepens, China is prepared to conduct reforms in the political field.

Oszi expressed satisfaction with the talks he held with leaders of the International Liaison Department of the CPC Central Committee in the morning.

The time is ripe for the two parties to push their relations to a higher level, Oszi said.

Hungary values China's experience in the reforms, he said. He hoped that the two countries would continue to share experience in this regard.

The guests are scheduled to leave for cities outside Beijing tomorrow.

PRC PARTICIPATES IN BUDAPEST INTERNATIONAL FAIR

OW191935 Beijing XINHUA in English 1625 GMT 19 Sep 86

[Text] Budapest, September 19 (XINHUA) -- The 84th Budapest Autumn International Fair opened here today with 35 countries, including China, displaying their products. Most of the exhibits are consumer goods produced by 1,300 factories. The fair, covering an area of over 70,000 square meters, will run for 10 days.

The China hall occupies an area of 513 square meters, 80 percent larger than the fair of 1983. The Chief of the Fair Judit Gyorfi praised China for its active participation in the fair. Chinese silks, embroidery, carpets and other light industrial products enjoy a high reputation in Hungary and other parts of the world, he said.

PRC, YAR MARK ANNIVERSARY OF RELATIONS

Li Xiannian Message

OW240231 Beijing XINHUA Domestic Service in Chinese 0832 GMT 23 Sep 86

[Text] Beijing, 23 Sep (XINHUA) -- Chinese President Li Xiannian sent a message to the President of the Yemen Arab Republic [YAR] 'Ali 'Abdallah Salih on 23 September, extending felicitations on the 30th anniversary of the establishment of diplomatic relations between the two countries.

The message said: "On the occasion of the 30th anniversary of the establishment of diplomatic relations between the People's Republic of China and the Yemen Arab Republic, I extend, on behalf of the Chinese people and in my own name, my warmest greetings to Your Excellency and, through Your Excellency, to the friendly people of Yemen."

The message pointed out: "In the past 30 years of diplomatic relations between China and Arab Yemen, our two countries and people have always been sympathetic with and supportive of each other, and their friendship and cooperation in the political, economic, cultural, and other fields have continuously developed and strengthened. We are satisfied with this fact."

The message went on to say: "It is China's established policy to continue to develop the traditional friendship and friendly cooperation with Arab Yemen."

In conclusion, the message said: "I am convinced that with the joint efforts of our two countries, friendly relations between China and Arab Yemen, based on the five principles of peaceful coexistence, will continuously strengthen and grow."

Wu Xueqian Greetings

OW240251 Beijing XINHUA Domestic Service in Chinese 0836 GMT 23 Sep 86

[Text] Beijing, 23 Sep (XINHUA) -- Foreign Minister Wu Xueqian today sent a message to 'Abd al-Karim al-Iryani, vice president and concurrently minister of foreign affairs of the Yemen Arab Republic, on the 30th anniversary of the establishment of diplomatic ties between China and Arab Yemen.

The message said: "The gratifying progress achieved in developing friendship and cooperation between our two countries is in line with the fundamental interests of our two peoples. I sincerely wish that Sino-Yemeni friendship will grow with each passing day."

YAR President Sends Praises

OW240240 Beijing XINHUA in English 0227 GMT 24 Sep 86

[Text] Sanaa, September 23 (XINHUA) -- 'Ali 'Abdallah Salih, president of the Yemen Arab Republic [YAR], today sent a congratulatory message to the Chinese President Li Xiannian, marking the 30th anniversary of the establishment of diplomatic relations between the two countries.

President Salih said, "We are determined to continue the development and expansion of cooperation based on the mutual respect to serve the common interests of our two states and peoples."

"The glorious '1949' revolution has opened wide prospects for the promotion of relations between the two countries," the president said.

He also said he hoped that the ties between the two countries would be further developed.

In a message sent today to Chinese Foreign Minister Wu Xueqian, 'Abd al-Karim al-Iryani, deputy prime minister and foreign minister of the Arab Yemen, said that China has always stood by the side of Arab Yemen even when the country is facing the most difficult situation. He described the relationship between the two countries as "a model of friendly relations and cooperation."

S. AFRICA'S 'BRAINWASH CAMPS' ASSAILED

HK240507 Beijing RENMIN RIBAO in Chinese 21 Sep 86 p 6

["Jottings" by Gu Yuqing [7357 3768 3237]: "Tyranny Ends in Celebrations"]

[Text] In view of the failure of use of bloody suppression to calm the towering passion of the South African people against apartheid, the South African authorities have recently tried to play a new trick, that is, to "release" the young people taken into custody during the state of emergency to their secretly built "brainwash camps" in an attempt to make the innocent young people believe their captors' fabricated lies and thereby obediently accept the diabolical system of apartheid.

As a matter of fact, this new trick is but another fanciful, stupid act. Under the oppression of South African racial tyranny, local black people are being persecuted, beaten, and murdered every day. Large numbers of black people are being tortured and beaten half to death by the authorities. The leading characters in this tragedy are actually the parents, brothers, or relatives of the young black people who are locked up in the "brainwash camps." "Lies written in ink cannot cover up facts recorded in blood." More oppression will lead to stronger resistance. The South African authorities are trying in vain to use honeyed words to wash away the frightful calamities the young black people have personally witnessed and suffered.

Apartheid is actually the outcome of colonial domination. Although the colonial system collapsed long ago, the South African authorities still cherish colonialism and attempt to go against the tide of history. This shows that they are brutal and also incredibly stupid.

Regarding "brainwashing," it seems that the benighted brains of the South African authorities should indeed be washed by the surging historical tide. If the South African authorities continue to stick to their policy of apartheid and maintain tyranny by means of suppression, the following foreign saying can be quoted to describe their fate: "Tyranny ends in celebrations." In other words, the oppressed South African people will eventually celebrate a magnificent festival to hail the doom of the apartheid regime in South Africa. The reactionary South African authorities will not be able to change this fate no matter what means they use, suppression or "brainwashing."

ZHOU GUCHENG FETES MADAGASCAR ASSEMBLY PRESIDENT

OW232210 Beijing XINHUA in English 1644 GMT 23 Sep 86

[Text] Beijing, September 23 (XINHUA) -- Zhou Gucheng, vice-chairman of the Standing Committee of China's National People's Congress (NPC), gave a banquet in honor of Lucien Xavier Michel Andrianarahinjaka [spelling of name as received], president of the National People's Assembly of Madagascar, here this evening.

Zhou hosted the banquet on behalf of Peng Zhen, chairman of the NPC Standing Committee. Zhou said that there exists a traditional friendship between the Chinese and Madagascan peoples and friendly relations and cooperation between the two countries in various fields have developed consistently since they established diplomatic relations.

He described the current visit by Andrianarahinjaka as the start of contacts between the parliaments of the two countries and a great help for the development of Sino-Madagascan relations.

He said that strengthening unity and cooperation among the Third World countries is the foundation stone of China's diplomatic work and the Chinese people firmly support the just struggle of the African countries and peoples, especially the people in southern Africa.

Andrianarahinjaka said that Madagascar and China belong to the big family of the Third World countries and both are joined in the worldwide struggle for peace.

He said the peoples of the two countries share good feelings toward each other and his present visit to China proves this, toward each other and his present visit to China proves this.

The Madagascan visitors arrived here at noon today and Zhou held talks with them this afternoon.

ZHENG TUOBIN MEETS CAMEROON AGRICULTURE MINISTER

OW231304 Beijing XINHUA in English 1246 GMT 23 Sep 86

[Text] Beijing, September 23 (XINHUA) -- Zheng Tuobin, Chinese minister of foreign economic relations and trade, held talks with a government economic and trade delegation from Cameroon led by Minister of Agriculture Jean-Baptiste Yonke here today.

The two sides expressed satisfaction with the existing friendly relations and cooperation between the two countries and shared the view that bilateral cooperation were constructive and fruitful.

The two sides also briefed each other on their own countries' agricultural development and policy. They hoped that during the delegation's stay in China they could explore new ways of cooperation in the economic and technological fields.

They also reached consensus on establishing a mixed committee for bilateral economic, trade and technological cooperation.

The delegation arrived here today.

CONSTRUCTION AID GIVEN TO CHAD FOR NEW PROJECTS

OW171226 Beijing XINHUA in English 1107 GMT 17 Sep 86

[Text] Yaounde, September 17 (XINHUA) -- China has resumed its construction aid to Chad since the reopening in 1985 of the Chinese Embassy here which closed during the Chadian civil war.

Radio Chad reported Tuesday night China has agreed to cooperate with Chad in the construction of a people's house and a hospital in N'djamena.

According to a communique issued by the two countries, the radio said, at the request of the Chadian Government, China undertakes to build the two projects instead of a stadium and a bridge over the Chari River, projects agreed upon by the Chadian and Chinese Governments in 1965.

China had to suspend all its aid projects in Chad because of the civil war in that country.

ZAMBIAN HEALTH MINISTER ACKNOWLEDGES MEDICAL AID

OW232218 Beijing XINHUA in English 1655 GMT 23 Sep 86

[Text] Lusaka, September 23 (XINHUA) -- Zambian Health Minister P.S. Chitambala today thanked China for sending medical teams to his country noting that China has been giving medical help to Zambia since its independence.

Meeting here today with visiting Chinese Vice-Minister of Public Health Chen Minzhang, Chitambala said China is Zambia's true friend.

Meanwhile, China has decided to donate 27,000 U.S. dollars worth of medicines and medical equipment to Zambia.

ZHU XUEFAN MEETS SIERRA LEONE TRADE UNION LEADER

OW201914 Beijing XINHUA in English 1541 GMT 20 Sep 86

[Text] Beijing, September 20 (XINHUA) -- Zhu Xuefan, vice-chairman of China's National People's Congress Standing Committee, met here today a delegation from the Labor Congress of Sierra Leone, led by President Ibrahim Langley.

Zhu exchanged views with the visitors on strengthening cooperation between trade unions of the two countries.

The delegation arrived in China on September 9 at the invitation of the All-China Federation of Trade Unions.

PRC SIGNS CONTRACT FOR DAYA BAY NUCLEAR PLANT

HK231052 Hong Kong AFP in English 1031 GMT 23 Sep 86

[Text] Beijing, Sept 23 (AFP) -- China signed a 2.5 billion dollar contract with French and British companies Tuesday for the construction of a nuclear power plant, capping eight years of negotiations. Chinese Deputy Premier Li Peng, the prime mover of the project, was present at the signing ceremony in the Great Hall of the People. Under the terms of the contract, the largest ever signed by China with foreign firms, the Daya Bay plant will become operative in 1992, Western diplomatic sources said.

The French company Framatome will provide two 1,000 megawatt reactors for the plant, and conventional turbines will be furnished by the British General Electric Company. The project aroused protests in Hong Kong, 50 kilometers (30 miles) from the site of the new plant, where one million of the five million residents signed a petition expressing concern over safety precautions and calling for the project to be scrapped.

Loans, Equipment Arranged

OW231726 Beijing XINHUA in English 1617 GMT 23 Sep 86

[Text] Beijing, September 23 (XINHUA) -- Seven documents on loans and equipment supply for the construction of the Daya Bay Nuclear Power Plant in Guangdong Province were signed here today at the Great Hall of the People.

The documents were a loan agreement between the Bank of China and seven French banks, loan agreement between the Bank of China and ten British banks, loan agreement between the Bank of China and Guangdong Nuclear Power Joint Venture Company (GNPJVC), nuclear island equipment supply contract between GNPJVC and the French Framatome Company, nuclear assembly supply contract between GNPJVC and Framatome, conventional island equipment supply contract between GNPJVC and the British GEC Turbine Generators Company Ltd, and a project services contract between GNPJVC and the French electric company.

The construction of the Daya Nuclear Power Plant started in April 1984 and the first period of construction has basically been completed. The nuclear island civil works structural excavation began last August 18.

The first unit of the plant is scheduled to be put into operation in 1992 and the second unit in 1993. After the completion, the nuclear power plant will provide electricity to Guangdong and Hong Kong, contributing to the prosperity and stability of Hong Kong and economic development in Guangdong Province.

HONG KONG JOURNAL ON WANG RUOSHUI, OTHERS

HK190429 Hong Kong CHING PAO in Chinese No 9, 10 Sep 86 pp 39-41

[Article by Fang Bin: "Wang Ruoshui Case Not Yet Settled"]

[Text] Deng Xiaoping's recent speech, "The Party Should Refrain From Intervening in Everything," and Wan Li's speech on implementing democratic and scientific decision-making have inspired people of all circles in the hinterland. [paragraph continues]

Many people with insight say with feeling: Such a fine situation as today's did not come easily. This statement is not without grounds. The criticism of "bourgeois liberalization" and the campaign to "eliminate spiritual pollution" once gave the ideological and cultural circles of Mainland China anxieties. Quite a number of prominent people were treated unfairly and "came under attack from all sides" because of their honesty and straightforwardness and their views on the improper practices of the times. However, people will never give them the cold shoulder. Recently, the author has been to Beijing and Shanghai, and visited Wang Ruoshui, Wang Ruowang, Yu Haocheng, and Liu Binyan. Their situations are as follows:

Wang Ruowang Is Still Having Troubles With His Name [subhead]

In mid-July, Wang Ruowang and two others' views on the writing of essays were aired by the Shanghai People's Broadcasting Station in its program "Selections From the Press." However, the best part of Wang's view was cut through "selection." Wang says: "At present, many newspapers and journals have invited me to write essays for them; however, almost as many of them have suggested that I use a pseudonym. Some people are scared to this day to see the name Wang Ruowang, lest my very name should bring them bad luck, and they would be out of favor. That I will never do, I want that bit of freedom. If one of my articles is not signed with my own name, I would feel like someone born without bones. Then how could I stand on my own feet? There are still 'leftist' personalities in several newspaper offices in Shanghai. They would not even look at some of my occasional writings; how could they publish my essays? it is fortunate for me that they have not taken hold of all China's news and publication circles. Most of my articles have been published since the beginning of 1986." Wang Ruowang also told me that his wife Yang Zi (Feng Shuzhen) has published two articles in Shanghai's XIANDAI JIATING ["MODERN FAMILY"] and Quandong's JIATING ["FAMILY"] of which, the one "My Fellow Countryman Wang Ruowang" carried in JIATING has won the readers' acclaim.

Wang Ruowang says that, despite the fact that "relaxation" is advocated at present, he is still being ill-treated. Anyway, the reform of the political system is inevitable, such as the separation between party and government, which is a key issue. But it will not be smooth sailing if party and government are separated. Over the past 3 decades and more, it has always been the party who has had the last word. Will it be smooth sailing if the party's power is restricted? There would certainly be reversals of the situation.

However, Wang Ruowang is rather satisfied with his situation. His family has moved from Xianghuaqiao Road to a new apartment of Gaoan Road. The new apartment has more floor space and a telephone. In May, he participated in the activities of Shanghai retired cadres at Chengde Summer Palace. He added, "I have never begged to others for my freedom. I can make full use of the democratic freedom and rights given to me in the Constitution, whether I am given my freedom or not.

Strive for Safeguarding Legal Rights [subhead]

"I want to strive for safeguarding my legal rights" -- this statement was made when Wang Ruoshui was interviewed by a reporter of "FAXUE" ["The Science of the Law"], a Shanghai journal. He says he is still waiting for an answer to his problem which has been in suspension ever since he was removed from office of the "RENMIN RIBAO."

The 30th anniversary of the proposal of the "double-hundred" policy fell on 26 May 1986. At the invitation of Shanghai WEN HUI BAO and SHE HUI BAO, Wang Ruoshui delivered the speech "On Several Issues Concerning the 'Double-Hundred' Principle" at Dazhong Theater. Those who attended the meeting were greatly inspired, regarding it as Wang Ruoshui's first reappearance since the campaign of "Eliminating Spiritual Pollution."

The author made a second visit to Wang Ruoshui at the Yanan Hotel on 27 May. he was in high spirits that day, and showed me the JIEFANG RIBAO ["LIBERATION DAILY"] of the very same day, saying: "This time, JIEFANG RIBAO has not made a fuss over publishing my article 'The Freedom of Literature, and Free Literature.' In fact, many people have failed to see that this article is directed at the commentator's article carried in the No 6 issue of the WENYI BAO, written by Hu Qiaomu. But when that article was formally published, some points had been revised. If he was allowed to have his say, why should I not be allowed to contend with him? That's why I wrote the article. But I did not imagine JIEFANG RIBAO would have published it so soon this time."

Why was Chen Nianyun, chief editor of the JIEFANG RIBAO, who has always been steady in his work, so bold as to publish an article in discussion with Hu Qiaomu? A friend who knew the inside story told me, Hu Qili proposed "relaxation, harmony, friendly terms, and mutual trust" to the literature and art and theoretical circles in Shanghai in mid-April. Speaking of the "elimination of spiritual pollution," he said that the "theoretical authority" had lied then to the Central Committee by magnifying the "grave situation." It is precisely because of this that the chief editor of the JIEFANG RIBAO has published Wang Ruoshui's article.

The Joint Publishing Company of Hong Kong has recently published Wang Ruoshui's book entitled "In Defense of Humanism." In the preface of his book, Wang wrote: "The two articles 'On Revolutionary Humanism' and 'My View of Humanism' were written in discussion with Comrade Hu Qiaomu. I hope that these articles rouse further discussion, and criticism is also welcomed. I bear responsibility for every word I have written." The few words he wrote have enabled the author to see Wang Ruoshui as a person "who cares little about officialdom, but prizes truth more than his own life." He has time and time again requested a conclusion to his problem from the Central Committee.

His Sense of Responsibility Outstrips Personal Gain or Loss [subhead]

A friend in Beijing told me that Yu Haocheng's sense of historical responsibility, and his intellectual conscience have outstripped his consideration of personal gain or loss. The author has no doubt on that point.

Seeing that Yu Haocheng has published many articles in the press of late, people believe he has made his comeback. I met Yu both in Beijing and Shanghai in late July and early August. During my stay in Shanghai, I went to see Wang Ruowang with him. While we were in Beijing, we had a long talk, and it was only then that I found out that Yu Haocheng has still been having trouble since his retirement.

Not long ago, Li Guangcan, the famous jurist and chairman of the Institute of the Science of Law at Nankai University, intended to invite Yu Haocheng to become honorary chairman of the Institute, and sent Qunzhong Publishing House a letter soliciting its opinion. But quite unexpectedly the matter involved the Ministry of Public Security, and a special discussion was conducted at a session of the party group of the Ministry. [paragraph continues]

Later, an assistant director of the Political Department under the Ministry of Public Security called Yu on the phone, saying: "We have taken into consideration the fact that you already hold many posts, and we wonder if you could reject the invitation?" It sounded like soliciting his opinion, but who could have failed to read between the lines! However, Li Guangcan's character is also upright and honorable. Two weeks later, Yu Haocheng received the letter of invitation all the same.

Academic conferences took place in both Qingdao and Hefei in mid-August. Yu Haocheng had a paper to give at the symposium on the history of China's legal thinking in Hefei. To "save time," he asked his daughter to type the article at her work unit before sending it to the Qunzhong Publishing House to have it printed in a hurry. He had not expected to be asked to pay 300 yuan for the typing. We can well imagine what a situation Yu found himself in after retirement. Some people were criticized in the past for being irresponsible and sluggish in their work. Now they are doing their best to make things difficult for him; the difficulty of obtaining a car may serve as evidence.

Yu Haocheng told me: "When one gets old, one sometimes has a sense of historical responsibility. There are far too few honest and outspoken people in China today, and people are always waiting to see what happens. It is the same with 'relaxation.' You are allowed to relax today, but that relaxation will be taken away tomorrow. We should not pin our hopes on some leading members, always waiting for some favors to be bestowed, which is in essence a demonstration of being slavish. Why are people never aware of the fact that they themselves are the masters of the nation?"

"Besides, I believe that it isn't scientific to say 'serving the people.' Serving the people is in essence a kind of bestowed favor. Because the people need 'me,' and they cannot do without 'me.' This falls in line with the idea of 'making decisions for the people,' or 'taking responsibility for the people.' The people are not placed in the position of being masters of the nation, nor are their democratic rights regarded above all else. To my mind, the slogan 'one for all, and all for one' is rather suitable in the present stage of socialism. Of course, we may discuss and study problems in this respect, and I may also make theoretical demonstrations on this point. Anyway, nothing substantial has been done so far about it."

Liu Binyan, a Very Busy Person [subhead]

When I saw Liu Binyan, he seemed to be very excited, and he did not look like a man approaching his sixties, but like a "middle-aged" person. I had barely taken my seat in his study before he told me with great excitement: "You must have read about Wan Li's speech at the national forum on soft science research on 31 July. But there's one point which the outside world may not know; Wan Li talked about his 'second loyalty,' and spoke positively about it. Some of my friends in the literature and art circles as well as the news circles called that very day to extend their congratulations." The author was very happy to hear about that. This is because Liu Binyan has paid a very great price for his "second loyalty"! He was close to being demoted, a situation which is known to all.

The RENMIN RIBAO Office appraised five senior journalists by vote not long ago, and Liu Binyan was the only one who got full votes from the appraising committee, with unanimous support from top to bottom. Liu is the only person above 50 who has kept his post in the RENMIN RIBAO Office without being retired. It seems that things are better for Liu Binyan now. I said to him, it is said that you have Hu Yaobang behind you. He smiled faintly and said: "I have the masses behind me. As to General Secretary Hu Yaobang, I have in fact had the experience of making a toast to him at a banquet, which took place at the Nationality Cultural Palace in 1979. At that time, I asked the general secretary if he had received my book, and he said he had. [paragraph continues]

I have never had any contact with him in person since then, but I have written him several letters. Therefore, it is untrue to say that I have Hu Yaobang behind me."

"Now I always feel that I am short of time." Liu Binyan said: "Xinjiang wants to initiate 'TIANSHAN,' a large-type reportage journal. They insist on my contributing works to them, otherwise, they will stop the journal. It is the same case with the Jiangsu journal JISHI, 'RECORD OF EVENTS' and I find the responsibility too great for me. Sometimes the question occurs to me, what if I, Liu Binyan, should be criticized? When rumors about me are flying about, the press will surely adopt a different attitude. But still, I can understand the situation they are in, because that is the way things are in China. Despite the fact that the constitution has stipulated freedom for speech and press, it is very difficult to put it into practice."

Liu Binyan will be visiting the USSR in October, and will attend the international symposium on contemporary Chinese literature to be held in Shanghai in November. He said he was too busy and had little time for reading when I said good-bye to him.

If Hu Qiaomu Stays, I'll Stay, Too

The journal XINGUANCHANG, whose chief editor is Ge Yang, is known for its liberal ideas, honesty and outspokenness, and its effects are great, however, Ge Yang is already in her seventies. Despite her high spirits, she will soon retire. The question of who will succeed her is naturally an important concern.

Ge Yang was angry when we touched on the topic of her successor. She said: "The decision that Li Honglin would become chief editor was made by the party group of the Chinese Writers' Association through discussion. However, the party group's decision became void simply because of one statement by Hu Qiaomu. At a conference called by the CPC Central Committee Propaganda Department, I said that the inner-party organization life of our party has been abnormal. The decision of a party organization cannot be carried out just because one person has a different view. Is there any democracy to speak of at all here?"

"True, I am now 70 years old, but Hu Qiaomu is several years my senior. If he stays, why should I go? If he can go on working, why can't I? Hu Qiaomu said that some people were against him in Beijing, and he referred to the Journal XINGUANCHANG as one of his opponents. It is not a simple question of opposing him, and what if we do oppose him? This is, after all, a matter of democracy. If you are wrong, people have the right to oppose you. Otherwise, what is meant by everyone being equal before the truth? We bow only to the truth."

It is still difficult to say who will become chief editor of XINGUANCHANG. Moreover, the CPC Central Secretariat has been involved. According to my friend, Ge Yang will never make a concession easily, for the trials and hardships of several decades have shaped the staunch character of this old lady.

LIAOWANG DISCUSSES REFORM OF JOURNALISM

HK220813 Beijing LIAOWANG in Chinese No 36, 8 Sep 86 pp 14-15

[Article by Zhang Chijian [1728 2170 1017]: "Journalism Should be Improved To Meet the Needs of Reform -- Information From the National Forum of Editors-in-Chief of Provincial Newspapers"]

[Excerpts] "In order to give wider publicity to reform, journalism should be improved." This was unanimously voiced by the comrades attending the national forum of editors-in-chief of provincial newspapers held by the Propaganda Department of the CPC Central Committee.

More than 30 editors-in-chief of the provincial and city newspapers spoke without any inhibitions, summed up the experience of journalism over the past decades, realized the arduous tasks undertaken by the party organs today in publicizing reform and in taking part in the building of socialist material and spiritual civilization, sought the adaptability of journalism to the needs of the new period... In a lively atmosphere, everyone tried to take the floor before others. The editors-in-chief said that the successes achieved in journalism reform since the 3d Plenary Session of the 11th CPC Central Committee should be affirmed. The successes are mainly indicated in the following: First, in the guiding ideology, we shifted the publicity on "taking class struggle as the key link" onto economic construction; second, we restored and developed the tradition of seeking truth from facts, discarded the unhealthy tendency of making "false, exaggerated, and void" publicity since the "Great Leap Forward" period, and dared to speak the truth, which gradually enhanced people's trust in the newspapers; third, newspapers provided a large amount of information to keep abreast of the new reform situation and opening up which played a positive role in widening people's field of vision and promoting the development of a socialist commodity economy; fourth, the articles carried in newspapers were readable and the gap between newspapers and readers narrowed; and fifth, compared with the single party newspaper in the past, there is now a variety of newspapers, with the party newspaper as the core, which has enormously enriched people's political and cultural life.

While the successes must be affirmed, there are also a number of problems. The editors-in-chief perused various local newspapers and realized that these newspapers have not adapted to the situation of reform and opening up which is changing with each passing day and that newspapers do not reflect the vigorous life of the new age. The editors-in-chief evaluated themselves and the surrounding factors and realized that there are some conventions and outdated ideas which hamper the initiative and intelligence of journalists and the role played by newspapers as the mouthpiece of the party and people. The reform of journalism carried out over the past few years was just a beginning, they said, and we must thoroughly develop the reform way to meet the needs of the current new situation. The editors-in-chief expressed their understanding of and views on the reform of journalism in the future.

-- In order to fully develop the initiative, enthusiasm, and creativity of journalists, party committees at all levels should strengthen and improve leadership over journalism and put an end to the situation of exercising excessive and rigid management. Undoubtedly, the editors-in-chief said, party leadership over newspapers is absolutely necessary. Such leadership should be exercised in light of the party's principles and policies and according to the laws of journalism. It should be collective leadership of the party committees. While political guidance of the party committee is necessary, newspaper agencies must be given a free hand to report daily news in their own ways so long as they do not violate the four basic principles. [paragraph continues]

The relevant departments and leading comrades should not undertake the affairs of the editors-in-chief.

-- Journalists should further emancipate their minds and take an active part in reform and blazing new trails. [passage omitted]

-- The further reform of journalism has put a new question before the readers, that is, how to renew their concept of reading. Over the years, the following concept has taken shape among a number of our readers: The articles carried in newspapers should be read and applied and be regarded as the guide for thinking and action as they communicate the party's instructions. If this concept of reading is not renewed, the editors-in-chief said, it is bound to affect newspaper reform. [passage omitted]

Teng Teng, new deputy head of the Propaganda Department of the CPC Central Committee, attended the forum. He said that he was a university professor for a long time, but never engaged in journalism. He was, however, an enthusiastic reader. He came to take part in the discussion today in the capacity of a reader. He said that some comrades have asked a question concerning journalism reform: Should we carry out a major reform, an intermediate reform, or a minor reform? If the concept of a major reform means changing the nature of the party newspaper or running "newspapers by colleagues," individuals, or collectives in an attempt to disrupt the current multi-level and multi-structural newspaper system focused on the party newspaper, the direction would be wrong and it would lead to grave consequences. As with other reforms, we should gain a clear idea of the connotations and the goals of journalistic reform and the problems that must be solved. In my opinion, the essential purpose of journalistic reform is to meet the needs of the new historical period and to better serve the party's general objectives and tasks. Our journalism should now serve the building of material and spiritual civilization and reform, opening up, and invigoration. The attainment of these goals is the sole criterion in judging whether we have done a good job in journalistic reform. [passage omitted]

Regarding the question of strengthening and improving leadership of party committees at all levels over the party newspaper, Teng Teng said that the situation in each locality differs from the others. Generally speaking, there is indeed a question of how party committees should concern themselves with and support the newspapers. Judging from some provincial party committees that have done a good job, they have concerned themselves with and supported the newspapers, given them a free hand, and also exercised necessary leadership. There are now some young comrades in the party committees at all levels. Although they have no experience in this field, just like me, they now have to assume leadership over journalism. If we put ourselves in their position, we can see the difficulty of the job. I hope that comrades in press agencies will do something to familiarize the new cadres with the running of newspapers. Old and new comrades should keep each other informed. Only in this way can the party committees, at all levels, gradually strengthen and improve their leadership over the party newspaper.

YANGCHENG WANBAO ON CULTURAL REVOLUTION REPETITION

HK170245 Guangzhou YANGCHENG WANBAO in Chinese 13 Sep 86 p 2

[Article by Zhao Er [0664 5101]: "On 'A Comeback Every 7 or 8 Years'"]

[Text] Because fragments of so-called "model plays" were presented during the period of the Spring Festival, some articles have taken this as a signal of "the backwash of 'left' thinking in a way," and have said openly to people: Though the "Cultural Revolution" does not definitely come back every 7 or 8 years, it will stage a comeback "without following any pattern." They have also come up with rather grim conclusions and questions: "The return of model plays in the orchestra ... it is not difficult to note some nostalgia for the "Cultural Revolution" and for the era of the 'leftist' evil spelling ruin."

People condemn that unprecedented catastrophe. They still have lingering fears, so much so that they have nightmares about its return. Any social phenomenon having the least thing to do with the cause and effect of that catastrophe is often treated as important and is brought to the attention of the public as a warning. Of the words of warning that have surfaced, many show enlightenment and reflect grief and regret. They have produced the effect that past experience, if not forgotten, is a guide to the future. But mere words bemoaning the period of trouble and disaster do not suffice. A historical-materialist scientific attitude is needed all the more. History is no printing plate. There is no cycle to the manners and morals of the time. From the presentation of so-called "model plays," it cannot be deduced that, given the past pattern of "leftism" appearing every 7 to 8 years, the time has now arrived for its return. Still less can it be deduced that players and singers "show nostalgia for the era of the 'leftist' evil spelling ruin," "cannot refrain from being emotionally attached to the "Cultural Revolution," and so forth. The "importance of the matter" cannot help inducing a feeling in people of being under pressure. It is better to have second thoughts about uttered words of a sentimental nature, lest they may suddenly impinge on a person's political orientation.

As we open history books covering half a century, we can note that our Party did suffer the impact of "leftist" thinking on many occasions. But the cause is mostly traceable to a given party leader in a given period. Only in this way can "leftist" thinking occupy a ruling position. So, straightening out what is "leftist" is often a matter of partially and temporarily solving certain problems. Troubles and problems can pile up, which happened then, eventually leading to such a great disaster as the "Cultural Revolution." Our party has risen from the ashes and picked up the pieces. With the great wisdom and courage of the working class as the vanguard, it has made the greatest effort to sort things out since the founding of the party. This is a historical self-examination with practice as the criterion for testing truth -- a self-examination made with a bitter experience still fresh in our minds -- enabling the party to lift itself at last out of the tangles of "leftism." The shift in focus of the party's work, the people's involvement in the "four modernizations," an enlightened government combined with a satisfied people, and the popular desire for stability are what now objectively exist in our society. To conclude that one performance of a "model play" signifies a return to "leftism" is inevitably divorced from reality. Taking the presentation and singing of a "model play" as the source of a "leftist" wind also betrays an abruptness typical of the Chinese story figure called Li Kui who was quick to use his broad ax.

People interested in Beijing operas generally know that some of the so-called "model plays" were originally modern Beijing operas created by playwrights devoted to reforming Beijing operas. [paragraph continues]

Most of them had been introduced into the orchestra before the "Cultural Revolution." Due to the prevailing era and like some contemporary literature and art works, they showed the defect of being confined to fixed formulas and concepts. What is unfortunate is that they were tampered with and willfully altered by Jiang Qing during the 10 years of disaster. The images of certain main Beijing Opera figures were increasingly enhanced and deified to the utmost. The aim was to serve the ambitions of the gang and "Leftism" and to make capital by usurping Party and State power. But what they portrayed were, after all, worker-peasant-soldier figures, such as Li Yuhe, Yang Zirong, A Qingsao, and so forth. Though these images had been greatly distorted in some cases, the subject matter had nothing to do with the ruination of veteran cadres and the creation of rebels to usurp power. This generally cannot constitute "the main melody of the Cultural Revolution." Nor can it be considered "an indispensable and important component of the Cultural Revolution." Otherwise, the party's effort to bring chaos out of order and negate the "Cultural Revolution" would have been a relatively simple exercise. "The Resolution on Certain Questions in the History of the Party Since the Founding of the PRC" would have been directed at criticizing "model plays" as its main substance.

Using practice as a criterion for testing truth means that no one can dictate things. Of course, modern Beijing operas altered by Jiang Qing also cannot be allowed to remain "model plays" forever. Now is the time to restore their original features. It is not a matter of "picking up" or "putting back." It is returning things to their original owner.

Whether these few modern Beijing operas should have their place in the garden of 100 flowers should be determined by the guideline of letting a hundred flowers blossom and a hundred schools of thought contend. Their acceptance or rejection is left to the decision of the broad masses of spectators. A discussion should be conducted in a tolerant, harmonious and cordial atmosphere. At the least, the "three don't's" should also be upheld.

Let us wait and see whether "leftism" will make a comeback every 7 or 8 years," as predicted.

PRC CLOSES DOWN ILLEGAL CATHOLIC SEMINARY

HK221008 Hong Kong AFP in English 0916 GMT 22 Sep 86

[By Pierre-Antoine Donnet]

[Text] Beijing, Sept 22 (AFP) — Chinese authorities have forcibly closed down an illegal Catholic seminary loyal to the Vatican, arresting or interrogating its members, a member of an officially-recognized seminary said Monday. Troops or police units went to Qiaozhai village, near Baoding Town in the central province of Hebei in May, to close a "secret" and "illegal" seminary, Father Hou Jinde, a professor and priest at an officially-authorized seminary in Hebei told AGENCE FRANCE-PRESSE in a telephone interview.

China broke off links with the Vatican in 1957, and has since established an official church which does not recognize the Holy See. The Qiaozhai seminary, which was loyal to the Vatican, had been founded secretly without official permission more than a year ago and its activities were declared forbidden in May, he added.

According to some reports, the Army raided the village in May and took away the seminarians in their cars, but other accounts said the raiding party was made up of police units from several districts, he said. Father Hou said he did not know how many people were interrogated or arrested nor their ultimate fate.

A police spokesman for Gaocheng District, which is responsible for Qiaozhai, confirmed that the seminary had been closed in May, and said it numbered 38 people including peasants, young women and people "with criminal records." "The activities of this organisation were not just religious but its members also carried out other illegal activities, he said. The leader of the group had been released from a "reform through labour" camp shortly before the seminary was closed on May 29, and had been sent back there afterwards, he added. All the other seminarians had been sent home.

(Roman Catholic sources in Hong Kong said that Public Security Bureau officers had arrested about 40 illegal seminarians at Qiaozhai. Some were released after interrogation but others were still detained, the sources said. In late June, four seminarians from a different group were arrested when police raided the home of a Catholic family in the area where the four were visiting an elderly bishop loyal to Rome, the sources said. The bishop was not identified. The public security officers searched the four's belongings and, after finding religious material, arrested them. There had been no news of the four since, the sources said. The sources added that about the same time a group of elderly nuns and novices -- about a dozen -- had been detained by security forces. The sources also said that there were a number of "underground seminarians" loyal to the Holy See who were training Chinese for the priesthood.)

Since 1979, Beijing has been tolerant of religious organisations that support the communist government, such as the Chinese Catholic Patriotic Association (CCPA) which has a flock of 3.3 million. But the Chinese authorities accuse the Vatican of interfering in the country's internal affairs, and remain inflexible towards the "silent church," whose members refuse to acknowledge the split with Rome. It is not known how many members it has. The Qiaozhai seminary "had no relation with us," Father Hou said. "Its priests opposed us by saying that we were no more than state officials and not real priests." "They believed that we had betrayed the doctrines of Catholicism," he added. "Rumour has it here that we were responsible for the ban of their activities." Father Hou's seminary was created with state approval in 1984 and now numbers four priests and 65 seminarians. Teresa Ying Mulan, deputy secretary of the CCPA in Beijing, said that she knew nothing of the incidents reported in Hebei, but acknowledged that some people in China were against the split with the Vatican.

The official press rarely mentions the existence of the "silent church" but China accused the Vatican in April of interfering in its internal affairs by secretly appointing provincial bishops and by maintaining official links with the nationalist Chinese in Taiwan. But in the past year or so China has made several overtures towards the Vatican, the most striking, according to Western diplomats, the release in June 1985 of the former bishop of Shanghai, Monsignor Ignatius Gong Pinwei, jailed since the 1950's for "high treason." Pope John Paul II has also made signs of goodwill towards China, and in July 1985 sent his "warm greetings to the noble Chinese nation" and added that the Vatican was "sympathetic to the commitment to modernisation and progress in which the Chinese people are engaged." China has set two conditions for normalising relations with the Vatican, a break in the Holy See's relations with Taiwan and an undertaking to respect the independence of the CCPA.

The article attacked the tendency of labelling the history-maker as virtuous and quoted Marx as saying that evil is the motive power of history.

In response to Li's point, Zhu Maxin said that "the masses make the history" is a philosophical affirmation of the people's role in history.

Another question dealing with the motivating force of historical development centres on the role of peasant uprisings in history. Dong Shuping of Zhejiang Academy of Social Sciences downplayed them, saying they largely slowed the pace of productivity in ancient China.

The re-evaluation of Confucius revealed nothing new. To redress the fierce criticism of the cultural giant of the nation, Kuang Yaming, former president of Nanjing University, published "Re-Evaluation of Confucius" last year. The book was later dismissed by noted scholar Cai Shangsi as one that overly praised Confucius.

Historic researchers appear slow in examining recent events. The first to explore the causes of the "cultural revolution" were social scientists from the Central Party School and in other fields in the Chinese Academy of Social Sciences, rather than historians. They have turned out "The Criticism of the Gang of Four" by Lin Wei, "On the 'Cultural Revolution'" by Yan Jiaqi.

Their slow response can be traced to a fear that grew during the "cultural revolution," when historical research was merely used as a tool of political struggle. They are determined to keep it from politics.

Some young historians disagree with them again on this point. They argued that historical study was deformed by politics in the past, but that does not mean that the two should be completely separated now. Current economic reform and the endeavour to revive Chinese culture have exposed many empty spaces for historians to fill in - the history of Sino-foreign relations, of culture, of legal system, of the psychology of nationalities and the philosophy of history.

To the country's consolation, many scholars are coming to understand that historical study in China is very narrow, in the comparison with the rich heritage of Chinese history and the everchanging world. The old and young historians are now seeking a good research method that will suit both. After they really find one, should the country anticipate a flourish of historical research?

GUANGMING RIBAO ON LABOR FORCE BEING COMMODITY

HK160413 Beijing GUANGMING RIBAO in Chinese 7 Sep 86 p 3

[Article by Zhuang Hongxiang [8369 7703 3276]: "The Recognition of the Labor Force as a Commodity Will Not Cause the Negation of the Socialist System"]

[Excerpts] In a society under commodity economy conditions, the labor force should also take on a commodity nature. Careful study will help us understand that recognizing the labor force under socialist conditions as being a commodity will not cause the negation of the socialist nature of the economic system. [passage omitted]

The labor force under capitalist conditions is a commodity, as is the labor force under socialist conditions, because it has the dual nature of use value and value. The labor force under these two systems can generally be referred to as a commodity. The difference is this: Under capitalist conditions, of the two sides to the exchange, one is the proletariat and the other is the capitalists, who possess the means of production and carry out the exploitation of surplus value through the purchase of the labor force as a commodity. This is a specific characteristic of the labor force being a commodity under capitalist conditions. Under socialist conditions, of the two sides to the exchange, one is the socialist laborers who sell their labor force and the other is the enterprises under collective ownership or ownership by the whole people. This is a different specific characteristic of the labor force being a commodity. In other words, under socialist conditions, the labor force being a commodity has its own characteristics, and this should not cause the negation of the general concept that the "labor force is a commodity."

A traditional idea says that as masters of the means of production, workers in enterprises under ownership by the whole people can have a direct link with the means of production but cannot sell their own labor force to themselves. Therefore, their labor force is not a commodity. This is a one-sided idea. It takes a naive view of society and overlooks the relationship between social interests and the social structure. In capitalist society, the combination of the workers' labor force with the means of production is realized through capitalist employment of the workers. In socialist society, although the means of production are under public ownership, they are not directly combined with the labor force in a simple manner. This combination is realized through recruiting and hiring, with one side paying the wages and the other hiring out the labor force. This selling and buying of the labor force is characterized by the fact that an enterprise comprising combined laborers is also owned by these laborers. Although laborers are the elements constituting this body, an individual laborer cannot be equated with this body. The seller and buyer of the labor force are two different legal persons. The combination of the labor force with the means of production is realized through the exchange between these two legal persons. This is not combination in a direct and simple manner. [passage omitted]

Real, direct combination exists only in individual labor and individual operation, where an individual laborer is the owner of his labor force, the independent possessor of the means of production, and the owner of the products. In this case, his labor force is not a commodity. The saying "master cannot sell their labor force to themselves" is applicable only to this case.

However, there exists the following dual nature: In terms of being owners of the labor force, laborers under socialist conditions are the sellers of the labor force. This is one aspect of this nature. In terms of being members and masters of the collective, laborers are the buyers of the labor force. The collective these laborers are members of buys not only the labor force of these laborers, but also the labor force of other laborers. The combination of the socialist labor force with the means of production is realized in this dual nature characterized by laborers simultaneously being the buyers and sellers of the labor force.

The concept that "for the labor force of laborers to become a commodity, laborers must give up the means of production and nonlaborers must own the means of production" accorded with the specific conditions during the transition from feudal society to capitalist society, but is no longer applicable to the present situation, which is characterized by the fact that a laborer does not independently possess the means of production and products and also exchanges his labor force with other laborers according to the principle of exchange of equal labor. For the labor force to become a commodity, two conditions are necessary. [paragraph continues]

One is that laborers do not independently possess the means of production and products and the other is that they exchange their labor force according to the principle of exchange of equal labor. If laborers jointly possess the means of production and products but do not exchange their labor force according to the principle of exchange of equal labor, the labor force will no longer be a commodity. But this will be realized in a communist society with a product economy and not in a socialist society with a commodity economy.

What we said in the past, that the socialist labor force was not a commodity, was related to a socialist society without a commodity economy, as predicted by Marx and Engels. At present, we are still in a society with a commodity economy. Although it is a planned commodity economy under public ownership, it is, after all, a commodity economy. Therefore, this remark is no longer applicable.

In a society with a commodity economy, the labor force must be a commodity. The reason is that since social products are commodities, the materialized and animate labor which constitute the cost of commodities must be a commodity. If the cost contains noncommodity factors, the product is not a pure commodity. The commodity economy will not develop if the law governing it is not observed. Therefore, the labor force being a commodity is determined by objective economic law. [passage omitted]

RENMIN RIBAO COMMENTS ON LABOR CONTRACT SYSTEM

HK171105 Beijing RENMIN RIBAO in Chinese 15 Sep 86 p 2

["Roundup of Letters and Manuscripts (Part 1)": "The Labor Contract System Brings Vitality"]

[Text] Editor's note: The editorial department of this paper has lately received many letters and manuscripts from our readers dealing with their understanding of the reform of the labor system. We shall sum up the essence of these letters and publish them in succession, so that our readers may have a better understanding of the reaction to this reform among the masses. [end editor's note]

Until now, the labor contract system has been implemented on an experimental basis among 3 million workers, and some helpful exploration has been conducted in the reform of the employment system. Many letters and manuscripts say that the implementation of the labor contract system and the reform of the employment system have brought vitality to enterprises.

Mutual Selection Is Fine [subhead]

In employment, the silk factories, textile factories, and building companies of Funing, Jiangsu often failed to get what they wanted from the personnel department, with those who had no desire to work there employed, and those who wished so rejected. Hence, difficulties were great in labor administration. Since the implementation of the labor contract system on an experimental basis, these factories have employed more than 800 workers based on the labor contract system, and the employers and employees have made explicit their corresponding rights and obligations in contracts. The enterprises employ the fittest, and the workers are satisfied with the professions they have chosen. As a result, the production efficiency and economic results of these factories have risen by a wide margin.

The same situation took place in Yunnan Provincial Building Engineering General Corporation, as well as Guangdong Maoming Petroleum Chemical Industry Corporation. When the permanent employment system was implemented, the enterprises had a "rather small contingent of workers and staff on the production forefront, but a large contingent of workers and staff in the rear-service departments, which was burdensome," and there were difficulties in "employment, upgrading, mobility, and flexibility" of the workers contingent. Since 1982, Yunnan Provincial Building Engineering General Corporation has employed more than 1,500 contract workers, in addition to a number of short-term peasant-workers rendering labor service, which has enabled the building enterprises to increase the number of workers by 21 percent on the production forefront, keeping a balance in employment. These newly employed contract workers have good qualities, with a high rate of attendance; they have strengthened the capability of the enterprises to adapt to changes, and upgraded labor efficiency. Over the past few years, this general corporation has kept its growth rate of building output value above 10 percent. Maoming Petroleum Chemical Industrial Corporation has likewise employed some contract workers. The workers have volunteered their types of work, and their work posts are fixed according to contract. Thus, the long-standing, big, and difficult problem of personnel on the production forefront retreating to the second or third line is solved, and the employment of workers on the production forefront has been guaranteed based on the system.

It Is as Much a Pressure as a Motive Force [subhead]

It is universally mentioned in the letters that under the permanent employment system, people were "eating from the same big pot" with their "iron rice bowls," and they used to have a serious mentality of relying on the enterprise. The labor contract system has reformed such malpractices, and stimulated the enterprising spirit of workers and staff. Shanxi Polyamide Factory has adopted the principle of "putting an advertisement in public, signing up on a voluntary basis, going through overall examination, and employing the fittest," and employed more than 200 contract workers over the past 2 years. Every one of them has been working hard to make progress and to master the skill, and their work performance is fine, with 36 of them appraised as model workers of the factory. Anyang Electronic Tube Manufacturing Factory now has more than 300 contract workers, and they have become backbones in production and activists in study. Seeing the enthusiasm of contract workers, some permanently employed workers in this factory who are rather low in cultural and technical background said with deep feelings: "We have drifted along without an aim for half our lifetime, 'iron rice bowl' in hand. Had the labor contract system been implemented earlier, we wouldn't have come to this, capable of doing nothing significant."

The signing of labor contracts involves the determination and regulation of the labor relations between the enterprise and the workers and staff through legal and administrative means, such as type of work post, term of employment, wage and fringe benefits, labor insurance, and contract termination. The responsibility, rights, and privileges of the contract workers are all explicitly defined. Once the contract is signed between the enterprise and the labor, they will both act according to it, which is as much a pressure as a motive force. At the workers-peasants glass works of Jiamusi, Heilongjiang, out of more than 700 contract workers, 23 were fired for violating discipline. This has also served as a lesson to other contract workers, with the majority doing a better job as a result.

Workers View Contract System

HK230705 Beijing RENMIN RIBAO in Chinese 19 Sep 86 p 2

["Roundup of Letters and Manuscripts (Part II)": "Voices of Contract Workers"]

[Text] Is the labor contract system good? Those who are best qualified to answer this question are contract workers who have been employed in recent years. What do they think about this issue? From their letters and articles, we know that although some of them have complained that some work was not done sufficiently during the reform on a trial basis, most of them believe that the system is good.

In Anyang City, there are more than 320 enterprises and establishments. Over the past 4 years or so, they have recruited approximately 11,000 contract workers. Not long ago, the city invited some contract workers to attend a discussion. All the participants spoke their minds freely. Some said that the labor contract system truly embodies the principle of distribution according to work. Some said that with the implementation of the system, workers could act on their own to choose their jobs. Some others stressed that they were steadfast in their work because of the guarantees of contracts and backup by social insurance. Hao Huijun, a contract worker in a forming workshop of the city's Rubber Plant No 1, was recruited in April 1983. She said: "What I first heard the word 'contract,' I felt that it was a great pressure on me. However, contract workers are treated differently on the basis of their work performance. People pay attention to their technical skills. Their wages are paid in grades. In such a way, a 'contract' has become a 'motivating force'. Instead of 'playing for time,' I did my best to 'win credit.' I successfully completed the 6-month apprenticeship in 3 months. Over the past 3 years, I have never been absent. I have never produced defective goods. I overfulfill production targets every month and have been chosen as an advanced worker every year. I have been promoted every year. At first, people looked down on me. Later, when they found that I work superbly, they praised contract workers as high-minded people." A number of contract workers stressed: In the past, the "iron rice bowl" bred lazybones. Nowadays people pay attention to our true skills and we are compelled to study information and technology. Otherwise we face the danger of being eliminated. This will spur us on.

Whether the reaction of contract workers is good is closely related to the work of local governments and enterprises. In places where relations between contract workers and permanent workers are correctly handled in the course of implementing the labor contract system on a trial basis, that is, where contract workers are treated equally without any discrimination in terms of political treatment, welfare, and training, the reform of the employment system will be smoothly carried out. A driver at the Qingdao state-operated cotton mills No 10 was a contract worker. Someone in Laoshan county intended to employ him at a high wage. After weighing the pros and cons, he preferred to remain working at the cotton mill as a driver. He said that when he looked forward, he felt he had good prospects. When he looked back, he did not see any trouble. He gave up the higher wage and continued to work well at the mill.

It is true that when enterprises first started implementing the labor contract system on a trial basis, some contract workers felt "insecure." How should we deal with this? Contract workers in supply and marketing cooperatives of Hebei's Yutian County gave an interesting answer: "It is precisely such 'insecurity' which prompts us to foster a sense of self-respect and self-esteem, conduct ourselves with dignity, and make unceasing efforts to improve ourselves. [paragraph continues]"

"We have to find time to gain professional proficiency. When we have mastered sufficient skills and acquired strong abilities, the 'insecured' feeling will gradually disappear."

RENMIN RIBAO COMPARES LABOR CONTRACT, WAGE LABOR

HK240037 Beijing RENMIN RIBAO in Chinese 23 Sep 86 p 2

[Article by Bao Tian [1405 3944]: "The Labor Contract System and the Wage Labor System Are Different in Nature"]

[Text] Editor's Note: Since the State Council made public the four regulations on implementing the reform of the labor system in state-run enterprises, many readers have written to ask: What are the differences between China's existing labor contract system and the capitalist wage labor system? Now we publish this article for your reference. [end editor's note]

The labor contract system is now implemented among workers and staff newly recruited in China's state-run enterprises; this is a step forward of great significance in the reform of the labor system.

The labor contract system is the offspring of the commodity economy, and modern socialized mass production has further developed it. Superficially, the general process of signing, changing and terminating a contract is similar both in capitalist and socialist countries. But why should many countries have adopted the form of labor contract to embody the labor relations between the workers and enterprises?

First, the material and technical base of modern socialized mass production is forever changing. With the readjustment of the industrial structure, huge volumes of funds, technical know-how, and labor forces will transfer from one department, trade and enterprise to another, shaping the social flow of funds, technical know-how and enterprises. At the same time, more and more advanced technology and equipment are used in production, and the demands on workers' technical capabilities are forever upgraded, while the enterprises demand the maintenance of relative stability of technical workers. Such unity between the stability and flow of labor forces is determined by socialized mass production. Under the conditions of socialized mass production, both in capitalist or socialist countries, this law is followed in handling affairs, in order to ensure the normal progress of production. The labor contract system is a rather good form to embody the unity between the stability and flow of labor forces.

And second, with the continuous development of the commodity economy, credit and contracts are effective means of linking the economic relations between commodity producers, have continuously become complete, perfect and universal. In the everchanging modern commodity economy, the supply and demand relations of labor forces often change with the changes in production. Such changes are inevitably reflected in the integration of labor forces with production means. This integration should be flexible; otherwise, it will fail to meet the requirements of commodity production; and labor contracts can better show such flexibility.

China's industry has entered the stage of socialized mass production; however, in labor administration, the permanent employment system characterized by "the state monopolizing the distribution of jobs" was implemented over a long period of time. Practice has proved that this does not conform to the requirements of planned commodity economy under the condition of socialized mass production, and the vitality and vigor inherent in the socialist labor system could not be given full play. [paragraph continues]

Having summed up our positive and negative experiences, especially the experiments in the labor contract system in recent years, and absorbed and referred to foreign methods useful to us, we have resolved to implement the labor contract system based on China's national conditions. Such a system will ensure the rights of both the workers and staff and the enterprises to mutually select each other, help overcome the malpractices of the "iron rice bowl" and "eating from the same big pot" invigorate labor administration, and promote the development of productive forces.

Superficially, it seems that there is little difference between China's labor contract system and the wage labor system in capitalist countries. This has led to misunderstanding among some comrades. A question of how to look at the nature of things is involved here. The differences in nature between socialist labor contract system and capitalist wage labor system can be cited as follows:

First, the two labor systems are based on different ownership systems, and embody different production relations. The wage labor system under capitalist conditions based on capitalist ownership of production means. The laborers do not possess any production means, and the integration of labor forces with production means must be realized through the channel of trading in labor forces. The labor contract system under socialist conditions is based on public ownership of production means. The laborers are masters of the production means, and their integration with production means is not realized through the form of labor trading but is determined and regulated by means of the labor contract. Therefore, it is favorable to consolidating the public ownership of production means and implementing the principle of distribution according to work, and serves to reflect socialist production relations.

Second, the two have different purposes. The capitalists continuously purchase labor forces and consume this special commodity in the process of production. Their aim is to obtain surplus value far greater than the value of the labor forces themselves. The socialist labor contract system, on the other hand, aims to give play to the wisdom and intelligence of every laborer, and to the enthusiasm and creativity of the workers and staff in productive labor, to upgrade labor productivity and to create ever-growing social wealth in order to meet social needs, including the ever-growing needs of the material and cultural life of the laborers themselves.

And third, the two parties involved in a contract are different in their positions and relations. In capitalist wage labor relations, the capitalist class and the working class are in opposed positions. The employer and employee embody the relation between the exploiting and the exploited. Socialist labor contracts are signed between the two parties concerned on a voluntary basis through negotiation, and their positions are on an equal footing. The laborers as masters of the country should perform their duty and obligation, and at the same time enjoy corresponding privileges. Through signing and implementing the labor contract, responsibility, power, and interests are combined into one, and so is the worker's labor for the state, the collective, and himself. Therefore, the labor contract system is an effective legal form which serves to ensure the equal rights of the laborers, to set up a correct labor relation between enterprises and workers and staff, and to solve the contradictions of the two parties concerned. It helps to strengthen the workers' sense of responsibility as masters of the country, and gives play to their initiative and creativity.

GONGREN RIBAO ON MAJOR LABOR SYSTEM REFORM

HK231420 Beijing GONGREN RIBAO in Chinese 10 Sep 86 p 1

[Editorial: "A Reform of Vital Significance"]

[Text] The State Council has promulgated four sets of official regulations on the reform of the labor system in state-owned enterprises. This represents a major reform of the labor system since the founding of the people's republic. It is an indispensable step and an important aspect of the overall economic structural reforms. It is of great significance and will play a great role. As the main force of reform, the working class of China should consciously participate in reform in this regard and guarantee its smooth development.

Our country's existing labor system, which ensures permanent jobs for workers employed by state-owned enterprises, was formed under particular historical conditions, and has played a positive role in the past in guaranteeing employment and promoting economic construction. However, it has also revealed many defects with the development of our social conditions. Since the 3d Plenary Session of the 11th CPC Central Committee, the party and the government have taken measures to develop a variety of ownership forms, and have taken some steps to reform the labor and employment system in cities and towns. Employment problems left over by history have been basically solved. On the basis of these measures, some localities have begun to carry out some pilot projects of reforming the labor system by replacing the permanent employment system with the contract employment system. At present, there are 3.5 million workers employed under the contract employment system in all parts of the country. The trial reform of the labor system has achieved good and remarkable results, which show that such reform is necessary and that we have the conditions for carrying out such reform.

The fundamental purpose of our economic structural reform is to develop the planned socialist commodity economy. Through reform, enterprises will become relatively independent commodity producers and dealers, which have the power to decide their own management and business affairs. Among the enterprises' powers to handle personnel and financial affairs and to handle production, marketing, and materials supply, the power of personnel management is quite important. However, under the existing permanent employment system, enterprises are overstaffed; labor discipline there is slack; and labor productivity is low. Without reforming the labor system, it will not be possible to really expand the decision-making powers of the enterprises, to strengthen enterprise management, and to raise their economic efficiency and competitive power.

The reform of the labor system will not only be beneficial to the state and enterprises, but will also be beneficial to workers themselves. As people all know, the system under which a lifelong job is assigned to a worker once and for all often makes people unable to display their strong points and learning in their work. Laborers do not have the right to select jobs under certain conditions. This prevents people from giving play to their wisdom, resourcefulness, creativity, and initiative. The "iron rice bowl" of the employment system and the "big pot" of the distribution system only make people lazy, because they think that it will make no difference whether or not they work hard and produce more things and because they do not feel any work pressure. Under such a labor system, not only will enterprise leaders have a headache, all workers with a sense of responsibility will be displeased. [paragraph continues]

Reform practice has shown that the "iron rice bowl" and the "big pot" do not represent the superiority of socialism; the old concept that people's employment is all guaranteed and arranged by the state is no longer suited to the new situation; it is normal that people do not feel that their jobs are completely secure, as this will just prompt people to work harder and make better progress; and all people must be responsible for their own work and be able to face any risk concerning their jobs so as to adapt their personal abilities to the requirements of the commodity economy. The reform of the labor system is not only in line with the long-term and fundamental interests of workers in general, but is also in line with their immediate interests.

The focus of the current labor system reform is to reform the employment and worker recruitment systems. That is, all new workers henceforth employed by state-owned enterprises will be subject to the contract employment system; and the practices of children taking over the jobs left by their retired parents and of enterprises hiring new workers through internal channels will be abolished. Enterprises must openly recruit new workers from among the public through advertising for workers and examining job applicants. In addition, enterprises will have the power to dismiss workers who violate labor discipline and will have the duty to establish and implement the employment insurance and pension systems. Reform in this regard will involve a wide range of work and requires accurate implementation of all relevant policies. All workers in our country must resolutely break with the old traditional concepts and habits, must firmly stand in line with the development of the overall reform and the socialist commodity economy, and must form a new-type labor force with new ideas, competitive power, and full adaptability. They should view the reform from this standpoint and promote this reform. We believe that this reform will certainly add new vitality to our enterprises and add new incentive to our worker contingent.

This reform also puts forth new requirements on the work of our trade unions and gives them new tasks. Trade unions at all levels should fully understand the necessity and importance of the reform of the labor system by seriously studying the relevant documents, and should have a good command of the relevant policies and regulations. Trade union cadres should go among the working masses to do propaganda and ideological education work. They should help the masses overcome the influence of the outmoded ideas which are not in line with the developing situation so as to ensure the smooth implementation of the new labor system. At the same time, trade unions should also study the new situation and various new problems in the implementation of the new labor system, and should promptly put forth their positive opinions and proposals. If the trade unions do a good job in this regard, they will fully play their role and help the labor system reform develop smoothly.

SHANDONG CPPCC STANDING COMMITTEE MEETING ENDS

SK240835 Jinan Shandong Provincial Service in Mandarin 2300 GMT 23 Sep 86

[Text] The 17th Standing Committee meeting of the 5th provincial CPPCC Committee ended on 23 September. At a plenary meeting held in the afternoon, a resolution on resolutely safeguarding the socialist legal system and a decision on establishing the provincial CPPCC Work Group Committee were adopted. Ding Fangming was appointed chairman of the Work Group Committee, and Xu Wenyuan, Zheng Weimin, Jin Baozhen, and Liu Yong were appointed vice chairmen.

The meeting also adopted a report on the appointment and removal of personnel of the relevant departments. Ding Fangming currently holds the post of chairman of the Cultural and Historical Data Research Committee of the provincial CPPCC Committee, and Zhang Ming is vice chairman. Liu Yong currently holds the post of chairman of the Motions Examination Committee of the provincial CPPCC Committee, and Yuan Chengen serves as vice chairman. Zheng Weimin currently holds the post of vice chairman of the Study Committee of the provincial CPPCC Committee, and (Liang Feng) and (Huang Shulin) serve as vice chairmen. Jin Baozhen and Yang Da currently hold the posts of vice chairmen of the Reunification of the Motherland Liaison Committee of the provincial CPPCC Committee.

Li Zichao, chairman of the provincial CPPCC Committee, gave a speech at the end of the meeting. He held that the meeting has successfully completed the task of studying the legal knowledge and through study, the committee members have further enhanced their understanding of the significance in strengthening the building of the socialist legal system, intensified their sense of the legal system, and enhanced their legal knowledge level.

SHANGHAI FACTORIES ISSUE APPROVED STOCKS

OW240350 Beijing XINHUA in English 0248 GMT 24 Sep 86

[Text] Shanghai, September 24 (XINHUA) -- A total of 749 factories in Shanghai, China's leading industrial center, are issuing stocks with the approval of the People's Bank of China, city officials told XINHUA today.

The local government is studying the feasibility of opening a stock market as part of the effort to change the present financial system under which the flow of funds is controlled almost exclusively by government banks.

The majority of the factories are collectively-owned, the paper said, adding that the Shanghai Vacuum Electric Engineering Company was the first state-owned enterprise to issue stocks. The company extended shares worth more than 40 million yuan earlier this month, the officials said.

Earlier last year, the Shanghai Yanzhong Industry and Commerce Company issued stocks worth five million yuan. Following its lead, other enterprises began to float stock and so far a 100 million yuan has been raised through the stock offerings. With part of the money, enterprises have started 100 service facilities, including restaurants, hotels and repair centers.

Investors are beginning to see some return as a number of companies have paid dividends and bonuses to their shareholders. The stock offering have not only turned cash, which would normally sit idle in bank accounts, into productive funds but has also strengthened cooperation between enterprises, the officials commented.

GUANGDONG'S ZHUJIANG DELTA EXPORT ORIENTED

HK240243 Hong Kong ZHONGGUO XINWEN SHE in Chinese 0827 GMT 23 Sep 86

[Report by correspondent Zhu Shan [2612 1472]: "The Zhujiang Delta Develops Export-Oriented Township and Town Enterprises"]

[Text] Guangzhou, 23 September (ZHONGGUO XINWEN SHE) — The export-oriented township and town enterprises developing in the Zhujiang Delta have received more and more attention. The relevant department of the State Council is currently carrying out research with a view to providing a sound basis for the formulation of the policies on invigorating the mainland's rural economy.

Some personages in economic circles call such a method of developing township and town enterprises the "Zhujiang Delta Model." Quite different from the "Southern Jiangsu Model" and the "Wenzhou Model," which mainly deal with the domestic market, the township and town enterprises in the Zhujiang Delta take advantage of bordering the Hong Kong and Macao regions. They are able to obtain fast and accurate market information and enjoy all the preferential policies towards the "economically open zone" so that they mainly depend on inviting foreign funds and importing advanced foreign technologies and equipment in their own development and most of their products are exported and sold on the Hong Kong and Macao markets and overseas markets as well.

The use of advanced foreign technologies and equipment has changed the backward small-scale production method used by the township and town enterprises in the Zhujiang Delta in the past and has greatly raised their production standard.

Over the past few years, the township and town enterprises in Foshan City, Jiangmen City and Dongguan City in the Zhujiang Delta alone has imported 180,000 items of advanced foreign equipment. Two-thirds of the 90,000 items of equipment recently updated in the town and township enterprises of Foshan City are imported from foreign countries. Dongguan City has already set up more than 1,900 town and township enterprises engaged in processing with supplied materials and samples and assembling with supplied parts as well as doing compensation trade with a business income totalling over U.S. \$0.235 million.

Now, the township and town enterprises in the Zhujiang Delta have become the "backbone" of Guangdong's export industry. The electronic products, household electrical appliances, clothes, toys, food, magnetic materials and so on, produced by the town and township enterprises in the Zhujiang Delta are all best-sellers on the overseas markets. Now, most of the electric fans exported by Guangdong Province are made in Nanhai and Shunde Counties. Last year alone, the Guizhou District Electric Fan Factory of Shunde County exported a total of 400,000 oscillating electric fans which were sold to 35 countries and regions. Now, Shunde County has become one of the main electric fan export bases of Guangdong Province. The various types of clothes produced by the Jiujiang District clothing factory of Nanhai County are now sold to more than sixty countries and regions in Europe and America.

According to the statistics of the relevant department, the population of the Zhujiang Delta accounts for only 60 percent of the total population of Guangdong Province while the income of the township and town enterprises in the Zhujiang Delta accounted for 56 percent of the total income of the township and town enterprises of the whole province last year.

KAIFANG ON 'IMPORTANT EXPERIENCE' OF GUANGDONG

HK240453 Guangzhou KAIFANG in Chinese No 8, 8 Aug 86 pp 2-4

[Article by Yi Yan [1355 6056]: "An Extremely Important Experience"]

[Text] During the Sixth 5-Year Plan, our province made encouraging achievements in every aspect of national economic and social development. This is one of the most thriving periods in Guangdong's history. How was such enormous achievement made in this period? One of the extremely valuable experiences is that we steadfastly implemented the special policy handed down by the central authorities and took an early first stride in reforming and opening up.

The people of Guangdong have profound feelings for the special policy. Following the 3d Plenary Session of the 11th CPC Committee, our country began exploring a new path in economic construction that is adapted to China's conditions, as well as suitable for carrying out fundamental reforms of the economic structure. At that time, the central authorities made an important decision that allowed the two provinces of Guangdong and Fujian to implement special policies and flexible measures, thus giving our province more initiatives. The provincial committee summarized the contents of the special policies into three sentences: Open up more to the outside world, adopt more flexibility within the province, and designate more authority to subordinates. In the last 5 years, under the correct leadership of the provincial committee and in line with the spirit of these "three mores," the people in the entire province vigorously carried out reforms, boldly but effectively applied the special policies, overcame many obstacles, and finally opened up a new situation for our province which won attention both inside and outside the country.

The question today is whether our province should continue to adhere to the special policies which were proven successful by past practice. The answer of our province's cadres and people to this question is affirmative. The central authorities have also reiterated that the guidelines for the two provinces to implement special policies are unshakeable. In March 1985, the State Council encouraged the two provinces to continue to carry out special policies and flexible measures in the next 5 years (until 1989). However, an extremely small number of comrades believes that the implementation of special policies and flexible measure is only "an expedient measure" during the Sixth 5-Year Plan and that there would be no such need during the Seventh 5-Year Plan. There are still some comrades who think that while special policies are good ideas, their implementation is too difficult, and they fear such difficulty. While the views of these comrades do not represent the main trend, however, as the people of the entire province enter the Seventh 5-Year Plan today and are to continue carrying out the special policies, there is still need to reaffirm the objective and significance of implementing special policies.

As early as 1980, the central authorities had clearly pointed out that the objective is to bring into full play the superiorities of Guangdong and Fujian, let them take the first step in reforms and opening up, explore a path for the country's economic construction and structural reforms, accumulate experience, and train cadres. It can be seen that in making such a decision, the central authorities began not only by proceeding from the realities of the two provinces, but also by keeping an eye on overall interests. In other words, it is not only beneficial to the two provinces, but also advantageous to the entire country.

Guangdong possesses many special and favorable conditions for accelerating economic development: Its location along the coast, moderate climate, rich resources, proximity to Hong Kong and Macao, numerous Overseas Chinese, comparatively more developed foreign trade, facility in the introduction of technology, sensitive economic information and data, cadres more familiar with economic affairs and more efficient, and so on. However, in the 30 years since the founding of the PRC, owing to the disruption and sabotage caused by "leftist" ideologies, as well as to the restraining factors in structure, policies, and others, these exceptional advantages were not given full play. For a long time, the rate of economic growth in Guangdong fell behind that of the national average. Only after the 3d Plenary Session of the 11th CPC Central Committee were these excellent conditions able to demonstrate fully their tremendous might, and only then did Guangdong's economic construction take off and herald its golden era since the founding of the PRC.

The land remains the same, the people are the same, so the key to the enormous transformation of the situation lies in the implementation of the special policies issued by the central authorities. This is the concrete result of Guangdong's people carrying out the line, directives, and policies of the party since the 3d Plenary Session of the 11th CPC Central Committee. The quintessence of the central authorities' special policies for Guangdong is in the word "special." Theoretically speaking, it accords with the party's ideological line of seeking truth from facts and always proceeding from realistic conditions. Speaking of the working line, it adheres to the principle of believing in the people, relying on the people, and respecting the creative spirit of the people. Methodologically speaking it embodies the dialectical viewpoint of classified direction, adapting to local conditions, and letting a portion of the areas prosper first in order to lead the way for the rest of the country. This move of special policies for regions with special conditions conforms with the principles of Marxist theories, with the party's line and working methods, and with the realistic conditions in Guangdong. Thus, it will naturally stimulate greatly the zeal, initiative, and creativity of the cadres and people of our province, and in turn, vigorously promote the development of Guangdong's productivity.

Implementation of special policies by the two provinces is also of great significance to the entire country. Shortly after the 3d Plenary Session of the 11th CPC Central Committee, when the country has yet to launch overall reforms, the central authorities decided that the two provinces would go ahead and carry out special policies different from the country's general structure. For a model that in the past has consistently stressed that the country enforce the same decrees and implement uniform policies, and for a people accustomed to the traditional concept of highly concentrated unity, this cannot but be a major breakthrough. Therefore, it prepared the country psychologically for the large-scale reform about to begin.

The carrying out of special policies by the two provinces also offers an experimental base for some of the reforms in the country. Many major reforms were first tested in the two provinces and later introduced to the rest of the country. To propagate these reforms immediately in the whole country is more difficult; to let the two provinces adopt them first and accumulate experiences makes it easier for the country to decide on them. To let the two provinces first probe the way is better than having the entire country march together. However, if the adoption of special policies were restricted to simply two villages, two factories, or two countries, their experiences would not often be sufficiently convincing. To carry out special policies within such a larger scope, as within the two provinces, is more suitable. The risk is not too big, and at the same time, they could provide experience that would better clarify problems.

Since Guangdong neighbors Hong Kong and Macao, while Fujian faces Taiwan and the Penghu Islands, implementation of special policies in the two provinces is also of great political significance. Just as the 1981 document from the central authorities points out, if the two provinces perform well, "then politically, it would also help reassure the people of Hong Kong and Macao, as well as win Taiwan's reunification with the motherland." At the same time, it would also demonstrate to the world China's steadfast stand and flexible move in opening up to the outside world, and serve as a "window" of our country's foreign policy.

It can be seen then that the central authorities' decision to let the two provinces implement special policies is correct. Its significance far exceeds the boundaries of the two provinces and extends to the entire country. It may even be said to produce a positive impact in the world. Just as Comrade Ren Zhongyi summed up on behalf of the people of the entire province following 5 years of implementing the special policies: "In the socialist modernization of a big country such as ours, the designation of two provinces to carry out special policies, be it theoretically or practically speaking, is of major significance" and "it made its historic contributions to our country's economic structural reforms and modernization." Therefore, this policy is definitely not an expedient measure, but a strategic measure is the overall plan, a major policy that has vigorous vitality. Comrade Deng Xiaoping once said: A policy that is favorable to enriching the people, to developing productivity, and to the construction of socialism with Chinese characteristics, this policy is a correct policy. Policies that are beneficial to the country and the people must be boldly upheld and steadfastly implemented. Since the implementation of special policies in the two provinces is correct as well as successful, why then should it not be adhered to?

At present, the country's economic structural reform and opening up to the outside world policy is being carried out thoroughly in a broader scope, and the entire country is emphasizing opening up, relaxation, and flexibility. It is even more necessary that the provinces of Guangdong and Fujian lead the way in opening up and relaxing controls. It should be said that the two provinces shoulder the glorious task of carrying out special policies, and that the burden is not light but has become heavier. Entering the Seventh 5-Year Plan, Guangdong should not be left behind, but should strive harder, boldly and fully apply the powers granted by the central authorities, further play up its own advantages, and win greater achievements.

Naturally, to implement special policies in the new situation, it is necessary to add new contents and methods, and not to copy indiscriminately old regulations and methods. In doing so, not a few difficulties would certainly come up. The situation has changed, and policies and measures that were effective in the past may no longer be so, and even if they have not reached this point, new problems may crop up in implementing them now. Demands put forth with the higher departments now may not be easily met for various reasons. This requires that, under the premise of submitting to the overall interest, we make full play of our own subjective initiative, work creatively, make thorough and detailed investigations and studies, adopt policies based on new conditions and in accordance with the realities in our province, and take concrete and effective measures. It also requires that we conscientiously reflect the conditions to the superiors, make prompt reports and seek advice, and positively win the support of relevant departments. When obstruction is encountered in the implementation of special policies, it is necessary to foster the innovative spirit of daring to blaze new trails, and positively carry out reform experiments. At the same time, it is necessary to be levelheaded, work with a serious scientific attitude, and make steady progress. In this way, difficulties will always be overcome. In the past few years, did we not progress in the course of continuously surmounting difficulties and thus open up a new situation?

HUBEI CONFERENCE ARRANGES WATER CONSERVATION

HK230544 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 21 Sep 86

[Excerpts] The 6-day provincial water conservancy work conference concluded in Wuchang on 20 September. The central subjects of the conference were relaying and implementing the spirit of the national forum on rural water conservation; in-depth analysis of the situation in agricultural production and water conservation in our province, focusing on persevering in reforms, strengthening reserve forces for developing agricultural production, and ensuring continuous, steady and coordinated economic development in rural areas in the new period; summing up and exchanging experiences; studying the guidance on further strengthening the capital construction of farmland and water conservation and the measures, policies, and principles which must be adopted; and making concrete arrangements for capital construction of farmland and water conservancy works in winter this year and spring next year.

Qian Yunlu, deputy secretary of the provincial party committee; Wang Hanzhang and (Han Nanpeng), provincial vice governors; and Xia Shihou, member of the Central Advisory Commission, attended the conference.

At the conference provincial party committee Secretary Guan Guangfu made six important points. They are as follows:

1. It is necessary to make a full appraisal of water conservancy work and to clearly see the existing problems.
2. Building good water conservancy facilities is after all an important issue in Hubei's agriculture.
3. Adhere to reforms in carrying out water conservancy work.
4. The focus of water conservancy work must be shifted to paying attention to economic results.
5. It is necessary to invest more money in water conservancy work.
6. It is necessary to strengthen leadership over water conservancy work, and more strenuous efforts should be made in this respect.

Qian Yunlu delivered a mobilization speech focusing on the basic idea and requirement raised at the national conference on rural water conservancy work, namely, water conservancy must be carried out; methods must be reformed; resuming our efforts, improving methods, and rallying our forces.

Qian Yunlu stressed that this is an extremely important conference, which has a direct impact on whether we can fully mobilize the masses to properly carry out water conservancy capital construction in the province, whether we can develop rural reforms in depth, and whether we can push agriculture to a new level and promote the national economy to develop continuously, steadily and in a coordinated way. He demanded that all areas, while opening up a new situation in water conservancy work, promptly understand the issue, make arrangements, mobilize people, and take early action to launch an upsurge of farmland and water conservancy capital construction this winter and next spring, with new vigor and a down-to-earth manner.

At the conference, Vice Governor (Han Nanpeng) spoke, and Vice Governor Wang Hanzhang delivered a summation speech. [passage omitted]

The conference clearly proposed that it is necessary to persevere in reforms so that the focus of water conservancy work can be shifted to paying attention to economic results. Only by carrying out water conservancy work in accordance with this guiding thinking, is it possible to develop good quality water conservancy quickly.

In accordance with this guidance, the provincial party committee and government held after study that during the Seventh 5-Year Plan, the province's farmland and water conservancy capital construction must focus on preventing floods and ensuring safety of water conservancy projects, on tapping the internal potential and on building small decentralized water conservancy projects. The tasks set in the province's plan are: To increase the effective irrigation area by 1 million mu; to increase the area exempt from floods by 1 million mu; to strengthen the flood-fighting capacity on 5 million mu of land; to increase the area of land which can ensure stable yields despite drought or excessive rain by 3 million mu; to improve 2 million mu of [words indistinct] land in mountain areas; to bring soil erosion under control on 40 million square meters of land; to increase the installed capacity of small hydropower production by 200,000 kilowatts; to solve the difficulty 1 million rural people have in getting potable water; and to carry out comprehensive operation of water conservancy.

To fulfill the tasks of the plan, the conference stressed that the focus of water conservancy construction must be put in the following 5 fields: Preventing floods and ensuring safety, draining water from flooded fields, conducting coordinated operation and management of irrigation, transforming low-yield land, and vigorously developing small scale farmland and water conservancy projects. [passage omitted]

To truly push the province's farmland and water conservancy capital construction to a new level, the conference particularly stressed that it is necessary to sum up experience and improve methods. Improvement should be made mainly in the following areas:

1. We must do everything in strict accordance with the law of economy and the law of nature, bring water under control in a scientific way, pay attention to cost accounting, and strive to achieve the best economic results with the smallest investment.
2. We must raise funds at various levels and through various channels so as to increase our investment in water conservancy. [passage omitted]
3. We must establish the accumulated labor system in water conservancy and bear reasonable burdens. [passage omitted]
4. We must further perfect the contract system in building water conservancy projects.
5. We must establish and perfect the rural grass-roots water conservancy service system. [passage omitted]

SICHUAN SCIENCE, TECHNOLOGY CONGRESS OPENS

HK190207 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 18 Sep 86

[Excerpts] The Third Congress of the Sichuan Provincial Science and Technology Association opened in Chengdu on 18 September. [passage omitted] Present were leading comrades of the provincial party committee, Chengdu Military Region, the provincial Advisory Commission, Discipline Inspection Commission, People's Congress Standing Committee, government CPPCC, and Military District, and the China Science and Technology Association including Yang Rudai, Fu Quanyou, Jiang Minkuan, Nie Ronggui, Song Defan, (Tao Qingde), Xu Mengxia, and Yang Wanxuan. [passage omitted]

Provincial party committee Secretary Yang Rudai made a speech in which he expressed the hope that the comrades on the science and technology front throughout the province and the science and technology associations at all levels will continue to get a good grasp of the following work: 1) science and technology work must be unwaveringly geared to economic construction and serve the invigoration of the province's economy. 2) Give full play to the role of science and technology in building spiritual civilization and spur social progress. 3) Persevere in reform and make policy-making a scientific and democratic affair.

Chengdu Military Region Commander Fu Quanyou, and Governor Jiang Minkuan also spoke. (Xie Lihui), chairman of the provincial Science and Technology Association, delivered a work report on behalf of the second committee of the association.

XIZANG LEADERS VISIT VETERAN CADRES IN CHENGDU

HK190259 Lhasa Xizang Regional Service in Mandarin 1130 GMT 18 Sep 86

[Excerpt] Leading comrades of the regional party committee and government are warmly concerned for the retired veteran cadres. On 16 September, when passing through Chengdu, they convened a forum of veteran cadres in the Xizang office in Chengdu to express regards to those recuperating there.

Regional party committee Secretary Wu Jinghua, regional government Chairman Doje Cering, and regional party committee Deputy Secretaries Basang and Dangzin gathered with 25 veteran cadres who are staying at the Chengdu cadre recuperation center, to pass on information to them, hold consultations, and put forward ideas on Xizang's construction. [passage omitted]

YUNNAN CPC SECRETARY ON FAMILY PLANNING

HK240307 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 22 Sep 86

[Speech by Zhu Zhihui, Yunnan provincial party committee secretary, on 6th Anniversary of CPC Central Committee letter on population control -- recorded]

[Excerpts] The 25 September this year is the 6th anniversary of the CPC Central Committee's open letter to party members and CYL members on control of China's population growth.

Over the past 6 years, party members, CYL members, cadres, and masses in the province have actively responded through practical action to the CPC Central Committee's call on each couple to have only one child. This is of important significance in changing people's concept of birth, controlling excessive population growth, and upgrading the population quality. They have thus made contributions to the country.

By the end of 1985, over 200,000 couples in the province who are of child-bearing age and who have only one child had received 1-child certificates. The province's average annual birth rate during the Sixth 5-Year Plan decreased by 0.436 percent compared with that in the Fifth 5-Year Plan, and the province's average annual population growth rate during the Sixth 5-Year Plan decreased by 0.493 percent over that in the Fifth 5-Year Plan. The birth of some 714,000 babies was reduced during the 5 years. This has yielded remarkable economic results. For example, according to the per capita grain allotment of the province, the province can save 421 million jin of grain each year. [passage omitted]

In order to more effectively control the province's excessive population growth, to ease the child-bearing peak, to fulfill the population target of the Seventh 5-Year Plan, and to lay a foundation for controlling the province's population at 40 million by the year 2,000, the provincial party committee and government demanded in particular that all party members, CYL members, and cadres at all levels further study and implement the spirit of the open letter of the CPC Central Committee, understand that family planning is China's basic national policy, realize the great significance of each couple giving birth to only one child, respond to the call of the party and state, share the worries of the country, and bring benefits to the people. They must set an example by each couple giving birth to only one child and make contributions to controlling excessive population growth and to making the people rich and the country prosperous. All localities must launch a family planning publicity drive around 25 September, combine the publicity of the open letter of the CPC Central Committee with the publicity of the relevant documents of the central authorities, combine the publicity of the birth policy with further implementation of the population target set in the Seventh 5-Year Plan, and combine publicity of the results and social benefits of family planning with properly carrying out current family planning work. [passage omitted]

Effective measures should be adopted to control multiple births and unplanned births. The current family planning policies correspond with the province's reality, and we must earnestly implement these policies. We must continue to advocate the policy of each couple giving birth to only one child. The idea that family planning policy will be relaxed and the idea that each couple is allowed to give birth to a second child whether they are cadres, staff, workers, and urban or rural residents are wrong and groundless. They do not correspond with the spirit of our policies and regulations. [passage omitted]

In conclusion, I hope that all party members, CYL members, cadres, and the masses in the province will conscientiously respond to the call of the central authorities and make new contributions to controlling excessive population growth.

INSURANCE BUSINESS BOOMING IN XINJIANG REGION

HK230537 Beijing CHINA DAILY (BUSINESS NEWS SUPPLEMENT) in English 10 Sep 86 p 2

[By staff reporter Qin Xiaoli]

[Text] Urumqi — When the People's Insurance Company of China moved into Xinjiang Uygur Autonomous Region in Northwest China five years ago, salesmen found themselves up against Huda, the Muslim spirit of protection.

"Local people had never heard of insurance before 1980," said Feng Zongliang, deputy general manager of the company's Xinjiang branch. "Even now, our staff have to go out knocking on doors to explain and sell insurance."

Despite the obstacles, business has been growing rapidly. Premium income jumped from one million yuan in 1980 to 29 million yuan in the first seven months of this year.

About three-quarters of the premiums come from motor vehicles. The remainder covers business and personal property, pension insurance, foreign trade transport policies and 30 other kinds of policies.

Pension insurance for workers in collectively owned factories, passenger safety insurance and third person liability insurance are compulsory in Xinjiang as in most of China.

The claim rate was about 40 percent between January and July this year — lower than in most other provincial branches.

"There are few claims from property policies because Xinjiang has fewer natural disasters than other places in China," Feng said. "Factories are scattered across the desert, and most houses are made of brick and mud. Fire hazards are few and floods infrequent."

"Geography makes it difficult for us to expand business property insurance," Feng said. Only 40 percent of factories are covered.

He predicted that motor vehicle insurance will remain the pillar of the branch's business while urban personal property insurance will grow rapidly. Advertising for household property insurance can be seen everywhere in Urumqi, capital of Xinjiang.

Joint ventures using both Chinese and foreign capital are good insurance customers because their overseas partners are accustomed to buying insurance, said an insurance official in the branch. The biggest in that category are the \$27 million Tianshan Wool factory and the \$20 million Global Hotel, both joint ventures with Hong Kong, and the \$40 million Xinjiang Fine Cotton Factory, a Sino-U.S. venture.

"Farms are a big, relatively untapped insurance market," Feng said.

The branch is now experimenting underwriting livestock, cotton and wheat.

"We still have to decide a premium rate low enough to attract farmers, but not so low that we risk losses," he said.

"Agricultural underwriting will require a larger number of professional staff simply because of geography," he added. Xinjiang accounts for one-sixth of China's land mass.

The branch now has 835 employees in more than 40 counties, half are in Xinjiang. About 110 employees belong to minority nationalities; the rest are Han Chinese.

Xinjiang has 13 minority nationalities, the biggest bloc being Uygurs. The company has to work in two or more languages. All documents must be translated and staff training must be geared to different cultural traditions. Feng said the branch plans to increase its staff to 1,000 by year's end.

XINJINAG MEDICAL COLLEGE CELEBRATES ANNIVERSARY

HK230607 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 22 Sep 86

[Excerpts] This morning, the Xinjiang Medical College's 5,000 teachers and students of various nationalities gathered to celebrate the 30th anniversary of the founding of the college.

Party and government leaders of the region including Ba Dai, Mao Dehua, Mayinuer, Fu Wen, Li Jingxuan, Feng Da, Anniwaer Hanbaba, and Wang Shizhen, as well as responsible people and representatives of the departments concerned attended the gathering and expressed congratulations to the college. [passage omitted]

Mao Dehua, vice chairman of the region and chairman of the regional Education Commission, delivered a speech at the gathering. He spoke highly of the achievements made by the college over the past 30 years. He hoped that the college's teaching staff would make joint efforts and cultivate for the region more qualified medical personnel with good ideology and professional training.

On 19 September, the regional leaders including Wang Enmao, Song Hanliang, and Tomur Dawamat inspected the college and visited some teachers and cadres.

HUBEI COURT SENTENCES TAIWAN 'SPY' TO PRISON

HK220233 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 20 Sep 86

[Text] With the active assistance and support of the masses and units concerned, Wuhan City's Public Security Bureau and state security organ cracked a major KMT [Kuomintang] spy case. Taiwanese spy (Li Geng) was sentenced to 13 years imprisonment by the city Intermediate People's Court. He was also deprived of political rights for four years. Undercover enemy agent (Li Wei) was dealt with in another case.

(Li Geng), a 46-year-old-male, was formerly a clothing factory worker at Transportation Center No 4, Wuchang District, Wuhan City. In September 1984, on the excuse of inheriting property, he left the city and settled down in Macao. Upon arrival in Macao, he immediately threw in his lot with the KMT spy organ there. He joined the organ and was appointed so-called head of the Wuhan communications center, thereby becoming an important KMT figure in Macao. Since last year, (Li Geng) snuck into Wuhan on several occasions to collect political and economic intelligence, recruit new spies and contact undercover spies.

(Li Wei), a 34-year-old male, was formerly a worker at the Wuhan Electrical Tool Factory. In October 1985, he was recruited as a spy by (Qi Song) and (Li Geng) and began his covert spying activities in Wuhan. He stole restricted information in the city and gave it to Taiwan's KMT spy organ.

In February this year, both were caught by the city's Public Security Bureau and state security organ while they were engaged in spying activities.

TAIWAN PUBLISHES WORKS OF MAINLAND WRITER

OW191200 Beijing XINHUA in English 1047 GMT 19 Sep 86

[Text] Beijing, September 19 (XINHUA) -- The tests of a contemporary Chinese mainland writer have been published for the first time in Taiwan, according to newspapers and periodicals issued on the island.

Zhong Acheng's three medium-length novels, "King of Chess", "King of Trees" and "King of Children" have been released by a publishing house managed by Guo Feng, a noted prose writer in Taiwan.

The work of this 37-year-old mainland writer, among several already introduced in Taiwan, first appeared in the May issue of "LIENHO LITERATURE" (UNITED LITERATURE). Later other novels and stories were released in magazines and newspapers.

"Zhong's works are refined and creative, but still share a strong sense of Chinese culture," said Guo Feng in a recent commentary.

CONDITIONS SET TO ATTEND 1990 ASIAN GAMES

OW211403 Taipei International Service in English 0200 GMT 20 Sep 86

[Text] The REUTERS reports from Seoul: A top ROC [Republic of China] sports official said on Thursday the Republic of China will send a team to the 1990 Asian Games in Peking on the grounds it is allowed to join the Olympic Council of Asia. ROC's representative on the International Olympic Committee Harry Hsu spoke to reporters at Seoul airport after flying in to attend the 10th Asian Games opening in Seoul on Saturday.

EXECUTIVE YUAN APPROVES FOREIGN TRADE BODY PLAN

OW201107 Taipei CNA in English 1027 GMT 20 Sep 86

[Text] Taipei, Sept. 20 (CNA) -- The Executive Yuan said Saturday that it has instructed the Economics Ministry to join with the Ministry of Foreign Affairs to study the feasibility of creating an exclusive agency to handle trade negotiations with foreign countries.

The cabinet said that with trade protectionism rising in the world community, trade talks with foreign countries have become more tough than ever before. Moreover, major topics in such talks often involve complicated problems or those involving several different government departments. It is, therefore, necessary to establish a special agency to handle trade talks, the cabinet said. It added that the Board of Foreign Trade under the Economics Ministry has asked its branch offices abroad to collect data and information about how their resident countries handle trade talks with other nations. All the information will be used as reference for the establishment of the planned body.

The cabinet made the above remarks in a written reply to an interpellation by Legislator Lin Lo-shan

U.S. AGRICULTURAL IMPORTS ACCORD TO BE SIGNED

OW240341 Taipei CNA in English 0255 GMT 24 Sep 86

[Text] Washington, Sept. 23 (CNA) -- The Republic of China and the United States will sign an agreement next week that calls for Chinese imports of 18,750,000 metric tons of agricultural products from the U.S. in the next five years, it was announced Tuesday.

The agreement will be signed by representatives of the Republic of China's Wheat, Corn, Barley and Soybean Associations on the one hand, and American grain suppliers on the other at a ceremony scheduled for the afternoon of October 2 at the J.W. Marriott Hotel in Washington, said the information division of the U.S.A. Office of the Coordination Council for North American Affairs.

The 18,750,000 tons of grains covered in the agreement include 5 million tons of soybeans, 2,750,000 tons of wheat, 10 million tons of corn, and one million tons of barley.

A total of 21 U.S. suppliers from 12 different states are involved in the agreement. They include one from Connecticut, two from Illinois, one from Indiana, three from Kansas, two from Louisiana, two from Minnesota, one from New Jersey, four from New York, two from Oregon, and one each from Tennessee, Virginia, and District of Columbia.

It will be the third five-year grains agreement signed between the Republic of China and the United States. The previous one, running from July 1, 1981, through June 30, 1986, calls for Chinese purchase of 17,350,000 tons of U.S. grains. Actual purchases, however, amounted to 24 million tons, or 36 percent more than the target set forth in the agreement.

The Republic of China currently ranks fourth among world-wide importers of U.S. grains, following Japan, the Soviet Union and Nigeria. During 1984-85, the Republic of China purchased 4,274,871 tons of all grains and feeds, or 4.5 percent of over-all U.S. grains exports.

YU KUO-HUA REVIEWS INTERNATIONAL RELATIONS

OW231147 Taipei CNA in English 1047 GMT 23 Sep 86

[Text] Taipei, Sept. 23 (CNA) -- Premier Yu Kuo-hua said (?today) that the Republic of China's [ROC] military buildup [words indistinct] struggle for prosperity not only strengthens the security of the western Pacific but also serves to thwart communist aggression. Yu made the remarks at an oral administrative report at the 78th session of the Legislative Yuan. Yu said that the Republic of China will always stand with the democratic camp and be a champion of justice.

On the ROC's international relationships, the premier said that ROC-U.S. relations have developed steadily and cited joint efforts to achieve mutually beneficial and fair agreements as the two nations hammer out trade differences.

In the areas of Asia and Africa, Yu said that the ROC maintains cordial relations with many nations, such as South Korea, Saudi Arabia and South Africa. Additionally, the ROC's relations with the member states of the Association of Southeast Asia Nations are increasingly close. Yu took special note of the public commemoration in Japan of the late President Chiang Kai-shek's post-World War II generosity to that nation.

Yu also noted a 20 percent increase in the nation's trade with Western Europe, showing that the ROC's substantial relations with countries in that area are growing.

For the survival of the Republic of China, Yu stressed, the nation is determined to overthrow the tyrannical rule of the Chinese communists at all costs.

COMMENTARY ASSESSES TAIWAN'S DEMOCRATIZATION

OW231441 Taipei CNA in English 1408 GMT 23 Sep 86

[Text] Taipei, Sept. 23 (CNA) -- The following is a commentary by the Broadcasting Corporation of China (BCC) in Taipei entitled "ROC [Republic of China] Democratization."

Former Representative of the American Institute in Taiwan James Lilley said last Wednesday that political democratization in Free China was "a lot better" when he quit the post than when he assumed it.

Testifying at a Senate Foreign Relations Committee hearing on his nomination as ambassador to South Korea, Lilley remarked the record of political development in the Republic of China on Taiwan is one of continuous improvement.

Lilley's assessment has been borne out by events in the past several months. The ruling Kuomintang [KMT] whose fate has been intertwined with modern China even before the birth of the Chinese republic has kept its promise to perfect the nation's democratic rule although Free China is still technically in a state of war with a colossal enemy breathing hot and cold across a narrow body of water.

A 12-member ad hoc group appointed by the party has been studying a number of politically sensitive issues with a view to broadening political participation without endangering the security of the state.

The Kuomintang, whose dominance at the polls has never been challenged and is likely to remain so in the foreseeable future, has also volunteered to start a political dialogue with the small but highly articulate opposition. Unfortunately, the opposition has terminated the fencemending talks after two rounds of negotiations during which the government party made generous concessions for the sake of national solidarity.

But the Kuomintang has not given up the efforts to reach reconciliation, even though the oppositionists have taken to the streets in recent weeks.

President Chiang Ching-kuo, who is also chairman of the Kuomintang, recently called for national solidarity and internal stability to cope with Peking's stepped-up united front offensive, because the Chinese Communist regime likes nothing better than a Free China internally divided. Only when the people in Taiwan are quarreling between themselves can Peking hope to conquer the island province without firing a shot in anger.

So far the oppositionists in Taiwan seem to have turned a deaf ear to the president's appeal. Using a purely legal case as an excuse, some oppositionists in Taipei have held a series of speech rallies and protest marches in the hope of creating disturbance on the eve of the scheduled parliamentary by-elections in December.

But the opposition is doomed to disappointment. The people in Free China are too sophisticated to be misled by demagogues and politicians whose heads have been turned by ambition.

The people in Taiwan are the beneficiaries of the government's progressive policies, which are responsible for the nation's economic prosperity, social progress and political freedom. The majority of them consider themselves middle class.

They also know that without internal stability, no progress of any kind is possible. The leadership provided by the Kuomintang has been proven to be correct and is largely responsible for all the good things now available to the people of Free China.

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HONG KONG

'NUCLEAR POWER OBJECT' HOAX AT U.S. CONSULATE

HK240153 Hong Kong HONGKONG STANDARD in English 24 Sep 86 p 1

[Text] A police bomb squad blew up a suspicious object, which turned out to be a hoax, outside the U.S. Consulate General in Garden Road early this morning. [sentence as published]

The object, contained in brown paper bag, was found hanging on the gate of the Consulate shortly before 1 am by a police constable passing by.

There were four Chinese characters written on the bag which read: "Nuclear Power Object."

Police officer used a detonator to blast it open and found it contained only a roll of toilet paper and two cans.

INSURANCE MARKET PROFITS FROM PRC POLICIES

OW222022 Beijing XINHUA in English 1630 GMT 22 Sep 86

[Text] Hong Kong, September 22 (XINHUA) -- The Hong Kong [HK] international business insurance market cannot help but prosper in its environment, said HK Financial Secretary Piers Jacobs today.

Speaking at the opening ceremony of the East Asian Insurance Congress, Jacobs said, "Hong Kong's future role in world insurance can only gain in importance and recognition as Hong Kong continues to prosper."

He said: "I have no doubt that China's modernization programs and open door policy, and the continued economic development in the Pacific basin, will generate further business."

Hong Kong, with its proximity to the Chinese mainland and its position in the East Asian region, "will stand to benefit," he added.

At present there are 288 authorized insurance companies in Hong Kong, of which 128 are locally incorporated while the rest are foreign companies. The size of the insurance market, as measured by premium income, is now estimated to have reached more than 10 billion U.S. dollars.

The financial secretary said the government has achieved its aim to provide the right environment for successful business operations.

These include a low corporate tax of only 18.5 percent, with no government interference in the flow of capital. In addition, Hong Kong set up a comprehensive set of laws regulating insurance in 1983 to have flexible supervision over the market.

UK MINISTER TO DISCUSS VIETNAMESE REFUGEES

HK230301 Hong Kong SOUTH CHINA MORNING POST in English 23 Sep 86 p 25

[Text] British Minister of State at the Home Office Mr David Waddington has arrived in Hong Kong on a five-day visit to discuss the Vietnamese refugees.

Mr Waddington told the SOUTH CHINA MORNING POST: "Principal in the discussions I hold here will be the future of the three closed camps currently housing the refugees from Vietnam."

The British Government has so far admitted about 460 of the 500 refugees it is committed to taking this year, and it continues to urge other countries to take in Vietnamese still in camps in Hong Kong.

Mr Waddington, whose portfolio makes him responsible for immigration and refugee policy, recently steered through the House of Commons the Hong Kong (British Nationality) Bill.

Before leaving London, he discussed with the Foreign and Commonwealth Office the "significance" of the new passport to be issued to Hong Kong residents.

"I am hopeful that visa abolition agreements with Governments which have not previously required visas of British citizens of Hong Kong will be entered into and that a broad, international recognition will be given the new passport," Mr Waddington said.

He pointed out that Australia, the U.S. and European Community countries had indicated their willingness to recognise the new passport and said he hoped it would achieve similar status throughout the world.

Talking about the Joint Liaison Group, Mr Waddington said he had confidence in progress already made.

HONG KONG MANUFACTURERS RECORD FALL IN ORDERS

HK220643 Hong Kong HONGKONG STANDARD (BUSINESS NEWS SUPPLEMENT) in English 22 Sep 86 p 1

[By Gerry Marron]

[Text] Hong Kong's 200 largest manufacturing firms recorded a fall in the average volume of their orders in hand position during July compared with June.

This is revealed in a survey by the Census and Statistics Department, which highlights some increase in the orders position for clothing, textiles and fabricated metal products firms.

Clothing and textiles both threw up an increase of 1 percent compared with the previous month while the increase in the orders in hand position in the fabricated metal products industry was 3 percent.

But the volume of orders for the plastic products industry was down 9 percent on June and those for the electronics industry fell by 1 percent.

Overall the volume of orders in hand was 1 percent down on June of this year.

A department spokesman said the 200 firms were not chosen at random and the figures may not reflect the experience of the economy as a whole.

But he said it should give a useful indication of the direction of change for a quick assessment.

The survey also reveals that most industries recorded an increase in employment in July.

The plastics industry led the way with 10 percent more on the payroll than in June — thought due to the increased recruitment of summer workers.

There was a small increase compared to June of 1 percent in the number of construction industry workers engaged directly by firms as companies speeded up the progress of their projects.

The food and drinks industry reported little change in the employment situation.

The department survey shows that wages in most of the manufacturing industries rose — due mainly to the payment of overtime allowances and salary revision.

Individual earnings in the plastic products industry were \$2,995 — up 8 percent on June — while in the food and drinks sector and construction industry they rose by 3 percent.

The increase over the same period for workers in clothing, textiles, fabricated metal and electrical and electronic products industries was 2 percent.

Construction workers were the highest paid — receiving an average of \$4,820 while the lowest paid were those in the fabricated metal products industry, \$2,802.

The average manufacturing industry wage in July was \$3,234. Moving onto the services sector of the economy the department survey says a stable employment situation was reported.

The average wage was \$6,097 — 5 percent up on June.

Wages for those working for the public utilities increased 13 percent on June because of salary revisions and the payment of special bonuses.

The 200 largest manufacturing companies and 50 biggest companies in the construction and selected services sectors involved in the survey were chosen by reference to their employment situation in March 1983.

Orders-On-Hand in Manufacturing Industries

INDUSTRY	(Percent Change Over the Preceding Month)			Orders-On-Hand (in Terms of Months) for July
	May	June	July	
Wearing apparel, except footwear	3	-1	plus 1	4.91
Textiles, except wearing apparel	-3	*	plus 1	2.41
Plastic products	-4	-8	-9	3.28
Fabricated metal products	plus 3	plus 4	plus 3	4.02
Electrical and electronic products	*	-2	-1	5.18
Others	*	plus 1	*	4.43
All above industries	plus 1	-1	-1	4.40

* Changes Plus or Minus 0.5 Percent